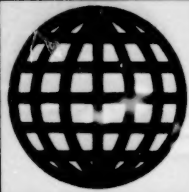


JPRS-EER-88-083
5 OCTOBER 1988



**FOREIGN
BROADCAST
INFORMATION
SERVICE**

JPRS Report

East Europe

East Europe

JPRS-EER-88-083

CONTENTS

5 OCTOBER 1988

POLITICAL

CZECHOSLOVAKIA

Ideology's Role in Restructuring Emphasized	1
CPCZ Leading Secretary Josef Haman Reports to Central Bohemia Conference	3
Raising Work Ethic to Higher Level Demanded	15

GERMAN DEMOCRATIC REPUBLIC

New State Secretary Assumes Church Portfolio	
<i>[West Berlin KIRCHE IM SOZIALISMUS Aug 88]</i>	17
West German Periodical Comments on Recent Church Conferences	
<i>[West Berlin KIRCHE IM SOZIALISMUS Aug 88]</i>	18

HUNGARY

Travel Regulations to USSR 'Eased'	20
Grosz Christening, U.S. Trip, Straub 'Election' Satirized in Humor Weekly	21
Debate Needed To Improve Trade Union Activity	22
Pozsgay Receives West German Trade Union Chief	23
Millionaire Emigre Philanthropist Interviewed	24

POLAND

Sejm Extraordinary Commission on People's Councils Roles, Financing	26
NOWE DROGI Seminar on Socialist Pluralism	27
Army Control-Auditing Commission Reviews PZPR Activities, Success	27
OPZZ Calls for Recalling Job Certification Process	28
Plant Social Welfare, Housing Funds Law Appraised; Problems Seen	29
Polish, GDR Historians Meet	29
PRON Receives Association of Polish Authors	29
Warsaw Theater Group in Lithuania	30

ROMANIA

People's Councils Appointments in Braila, Covasna, Prahova, Salaj	30
Personnel Changes in Ministry of Interior	30
Governmental Appointments Announced	30
Igret Appointed People's Council Chief in Mures	30
People's Councils Appointments in Calarasi, Arad, Iasi	31
Resolution on Teletype Connections Abrogated	31
Bucharest Daily Castigates Gasoline Hoarders	31
Speculation, Illicit Profits Drive Hoarders	31
Workers Leave Jobs To Buy Gas	32

MILITARY

GERMAN DEMOCRATIC REPUBLIC

Civil Defense Efforts in Chemical Industry Cited	33
--	----

ECONOMIC

INTRABLOC

CEMA Industrial Output Surveyed; Electronics Role Stressed [Warsaw TRYBUNA LUDU 17 Jun 88]	35
---	----

GERMAN DEMOCRATIC REPUBLIC

Positive Developments Noted at Leipzig Autumn Fair	36
Steel-Rolling Agreement Extended [Frankfurt/Main FRANKFURTER ALLGEMEINE ZEITUNG 7 Sep 88]	36
New Camera Developed [Frankfurt/Main FRANKFURTER ALLGEMEINE ZEITUNG 7 Sep 88]	36
General Director for Retail Trade Details Goods, Services	37

HUNGARY

Budget Reform Problems Discussed	39
--	----

POLAND

Examples of Direct Enterprise Cooperation With Soviets	40
Polish-Soviet Direct Trade 'Myths,' Relationship Examined	42
Mobile-Crane Coproduction With USSR Noted, Cost Problem Viewed	43
Notarial Act Signed on Polish-Soviet Company POLSIB	44
Gwiazda on Export Market, Poznan Trade Fair Success	45
Hard-Currency Input Requirements Between Enterprises Discussed	46
Measures To Curb Domestic, Enterprise Energy Waste Needed	47
Ministers' Committee Supports Project for Duty-Free Zones	48

SOCIAL

GERMAN DEMOCRATIC REPUBLIC

Number of Abortions Remains High [Utrecht OOST EUROPA VERKENNINGEN Jun 88]	50
--	----

POLAND

Different Groups Overcautious, Determine Time of Reform Implementation	55
Sociopolitical Groups Reject 'Conveyor Belt' Role, Prefer Independence	56
Youth Affairs Minister on Opportunities, 'Anti-migration' Measures	58
Addiction Prevention Commission Notes 'Slowdown' Since 1985 Law	59
Private Medical Clinic Owner Queried	60

CZECHOSLOVAKIA

Ideology's Role in Restructuring Emphasized

24000165 Prague RUDE PRAVO in Czech 1 Sep 88 p 5

[Article by Prof Dr Jozef Hrabina, DSc.: "Restructuring and Ideological Work"]

[Text] Strategy and restructuring are the basic revolutionary preconditions for our further social progress. Transition toward the modern development of productive, as well as mature socialist social relationships is possible only with the aid of a well-functioning economic mechanism in the sphere of management and planning. Economic forms of management create a substantially broader field for the development of initiative, of the rights and responsibilities of workers. What are the implications of this for ideological work?

The prosecution of this line requires that restructuring and the strategy of acceleration become both the foundation and the superstructure of the education and culture of the working people; that it be the key question of theory and methodology, not only of the social sciences but also of the natural science and of technology. It is only on the basis of a scientifically established approach that we can reach greater depth and specificity, that we can render our general and particular approaches more concrete as they pertain to the realization of our program; that we can analyze the degree of development of society and render more concrete the new phases through which socialism will be passing in its development and sophistication. It would be difficult for us to visualize modern, advanced socialist practices if they were not conceived on the basis of clear ideological goals and perspectives, if the socialist present and future were not being thoroughly secured ideologically, and if the leading role of the party were not being deepened.

Strategic approaches toward restructuring must be fully reflected in the awareness of the masses. We shall not be able to achieve a radical solution of the system and methods of management if we do not overcome ingrained thought stereotypes, if we do not manage to work our way through to a creative, genuinely modern understanding of social and economic processes. Social progress has its laws and is never realized in and of itself, without the participation of the working people. The truth of this Marxist thesis is being manifested even more clearly and expressly during the current historical phase than at any time before. The activation of the human factor is a complex process. It is not possible to simplify its role and status in such a manner as to fail to reflect the feedback factor, that is to say, the impact of such mechanisms as satisfaction of needs, motivation, educational relationships, etc., upon the efficiency of production and upon its economic potential. Under such conditions of approach, the human factor would be deprived of its dynamism, so to speak; it would "break down" mechanically into two components—the resources component and the consumer component.

The lack of clarity and scope in the understanding of the human factor is then reflected in the lack of comprehensiveness of the ideological processes and ideological work, which can lead to their being torn away from the life and needs of society. Atomization was always harmful for socialist ideology, both in theory and in practice. Similar problems arise also as a result of an inadequate understanding of the dynamics within our social class structure, of a superficial grasp of interests, whether societywide, group, or individual, as they emerge in specific classes and social groupings, in age groups, national groupings, and ethnic components of our society.

On the basis of scientific analysis and of comprehensive understanding of social processes, it will be possible to overcome contradictions, to transcend those forms of production which lag behind the objective tendencies in the development of production forces. This is also the prerequisite for establishing a link between the growth in the standard of living and the growth of initiative, activity, productivity of labor—not only in the sphere of the production but also in the sociopolitical area, where ideological processes play an essential role; their task lies in harmonizing the interests of the working people, in overcoming political and social indifference, etc.

New, modern, socialist thinking can never arise and develop merely as a passive byproduct of changing objective conditions but must be actively elicited. In this dialectic, it is important not to lose sight of the fact that before objective conditions change, the working people have to become aware of the inevitability of these changes. Restructuring and strategy must become the methodological, theoretical, social, and "real-political" foundation for all accomplished changes in progress—both short-term, as well as long-range.

Restructuring of ideological processes is a demanding task. After all, it involves a revolution in the thinking and in the actions of people: a revolution in economics, in the social life of society, in its mental sphere and in morale. Even though only a short time has passed since the XVIIth Congress of the CPCZ, the working people, the people's masses, who are the creators of history, have become aware that restructuring must be a time of action and a time of truth, must be a time of approaches based on science, and a time of only truthful answers to our successes and failures, to the degree of development of our society; responses to our history but also a time for particular approaches which will be developing while socialism is being perfected, and a time for the elimination of shortcomings, not only on a national scale but also at the level of the krajs, okreses, enterprises, plants, schools, health care facilities, etc.

Here, ideological work will fulfill an urgent task: ideological work will have to be specific, have a unity of words and deeds, assume the form of a public discussion, criticism and self-criticism, etc. After all, the working people themselves can see and feel the successes and failures, although not in isolation but in the form of their

numerical unification as parts of a whole. They observe the conduct and work performed, not only by themselves in their own working collectives, but also the conduct and work performed by their supervisors and even those superiors who come to them from higher organizations and institutions. For ideological processes and for ideological work, this implies a specific struggle for new developments which are still nascent, a struggle against that which is old or obsolete, a fight against bureaucratism, which is foreign to socialism because of its exclusion of responsibility from the management process, because it has a tendency to be secretive about decisionmaking and work results, because it usurps the rights of the people and handles them without their approval and knowledge. On the ideological front, we must also fight corruption and indifference, etc., which not only violate socialist legality and morale but create an unhealthy social, psychological, and ideological climate. Bureaucratism and democratism cannot exist side by side, since one always suppresses the other. They exclude one another. What are the implications of this for ideological work? It must be aggressive and in no event must we restrict it merely to "education." Restructuring demonstrates the inevitability of intensifying the struggle for the moral health of society.

Our society is similarly harmed by the doctoring of plan indicators, etc., because our socialist economy, our national economy, our economists cannot be, and have no right to be, immoral with respect to our people, toward our society by, for example, reporting something that in reality does not exist for the sole purpose of collecting rewards and bonuses, a phenomenon which we have witnessed not a few times. No one has the right to forget Lenin's strict warning: "A false statement, false bragging is morally destructive and will surely lead to political destruction," as was pointed out at the XXVII Congress of the CPSU.

If economic thinking is to change, then it is necessary to change the conditions under which economic activities take place. Conditions need to be created under which man could simply not think in yesterday's categories (if he is not to come into conflict with his own interests).

The requirement to aim ideological work at people, at their positions in life, means that this work will have to be intensified primarily in working collectives, in the basic organizations of the party, because it is precisely here that the decisions regarding the party's leading role as well as decisions as to how the program line of the party is to be realized, are most frequently made. This offers not only an opportunity to verify the functioning of the new economic mechanism, of its instrumentalities, but even the ways in which socialist democracy, self-administration, and party organization work are developing under the new conditions. This increases the demands levied upon ideological work, upon the search for new forms and methods. We must anticipate that the expansion of economic independence among enterprises, the application of collective forms of organization, and the stimulation of work, the deepening of

socialist self-administrations and the creation of the appropriate working and living conditions, will not progress smoothly and without problems.

In no event can ideological processes and ideological work tolerate arbitrariness or stereotype practices. The XXVII Congress of the CPSU drew attention to the fact that we shall not be able to advance even a single step if we do not learn to work in new ways. Even our existing experiences under conditions of restructuring—in enterprises which are part of the experiment—prove that we must abandon the quantitative approach in the evaluation of results pertaining to ideological work and that its main criterion must be the creative potential of the working collective, its high degree of organization, discipline, and its capability to successfully fulfill its production tasks.

The activation of ideological processes requires that one keep in mind that in a socialist society a number of social groupings, which have varying positions and interests and which are mutually interconnected with differing ties, interact mutually upon one another, with every person in such an association having his own personal goals and interests as well. This fact was pointed out by Soviet Academician Tatyana Zaslavskaya. She came out categorically against such approaches according to which, for example, "homogenized and anonymous" individuals are allegedly active in the economy—people who are void of human substance. She criticized those who are inclined to understand the human factor merely as "working forces." Tatyana Zaslavskaya points out that working forces are "divided" within the employment sphere but that people consciously select their professions, their place of abode, and their place of work; people consciously move from one branch to the other, they progress in their work; they improve their social standing, their qualifications, etc.

These opinions are very valuable with respect to improving the quality of ideological processes and of ideological work, of its analysis and efficiency, to the extent to which we desire to involve every individual consistently and actively in glasnost and in developing socialist democracy. The further fate and development of socialism depends on the achievements of each individual, on the level of his knowledge, his education, his specialization, his personal initiative, on the level of his sociopolitical and work activity. Consequently, even the analysis of ideological processes, and of ideological work performed within party organizations and organs, would be incomplete if its methods of functioning and its influence upon the social awareness were not pointed out; if its scientific approaches were not further developed, if bureaucratic approaches were not eliminated, along with the chase after quantitative indicators or, for example, the publication of reports covering a single ideological activity carried out within the framework of a party group by a single working collective via the basic CPCZ organization and the enterprise committee of the CPCZ, down to enterprise committee levels, etc. This promotes a lack of

confidence, complicates work, and also promotes a lack of confidence in those people to whom and those locations where such approaches are being applied.

Scientific approaches toward the analysis of ideological processes and of ideological work require that it be examined and clarified in dialectic unity with economic, social, and cultural processes. After all, there are ideological aspects to the economy, to production, the life style, culture, and so forth. However, what is important is to be able to correctly discern the ideological aspects; to be able to correctly determine their share in social life; to be able to correctly determine the content and ways of an ideological solution to a problem. In no event does this involve quantitative indicators. This is not a matter of quantity and of convening consultation meetings and arranging for tutorials by lecturers and propagandists at any price, without a differentiated approach regarding their ideological, theoretical, and practical preparedness. In other words, even here it is necessary to see the complexity of the ideological process and of ideological work, which cannot be created on the basis of paper-pushing; it requires the scientific approach, a class, and political feel, as well as a high degree of specialization. The XVII Congress of the CPCZ pointed out that we must select the forms of our work in such a manner as not to burden basic organizations with a mass of superfluous directives but in a manner that would lead them to engage in actual live work with people.

To introduce new forms and methods of work, it is necessary to criticize false concepts, such as those that view the tasks adopted by the XVII Congress of the CPCZ as though they dealt only with major political principles and left practical work to be accomplished along well-trodden paths. In ideological work, the "mass" approach still persists frequently, despite the fact that there is often talk of an integrated approach, which is, however, not yet fully worked out theoretically. For party organizations, this implies: the demanding nature of the present requires that every party organization become an active political vanguard and the very core of its working collective. We approach our work on the basis of Lenin's legacy. It is not sufficient to proclaim that we are the avant-garde, the leading detachment; but it is necessary to act in such a manner that all can see and recognize that we are marching at the head of the column.

Our party has embarked upon the firm course of restructuring and a strategy of acceleration; it makes use of the experiences of the USSR and of the other fraternal parties. The party is the motive force and the guarantor behind restructuring and this also constitutes the guarantee that our ideological work will successfully master all demanding tasks which face our society.

CPCZ Leading Secretary Josef Haman Reports to Central Bohemia Conference

*24000127 Prague SVOBODA in Czech
16 May 88 pp 3-6*

[Report of the South Bohemia Regional Committee of the CPCZ presented by Josef Haman]

[Text]

Comrades:

In accordance with the statutes of our party I present to you, the delegates to the regional conference, for consideration this report on our activities during the past period, and a proposal for future actions. This represents the result of the regional committees collective achievement completed with the cooperation of a large task force. Its theses were discussed at the meeting of the regional committee on 18 April. Its final version reflects the data, experience and proposals from district conferences; it was approved this week by an expanded session of the executive council of the regional committee in which leading secretaries of all district committees took part. In the new version of the proposed decision of the conference, the text of which was delivered to you, the number of partial tasks was reduced and its character as a political directive for operations of the regional committee and of the entire regional organization was emphasized. We are convinced that the submitted materials and especially the collective experience gained from our work over the past two years have provided excellent preconditions for a sober, realistic, scrupulous and frank assessment of our achievements, for critical analyses of our shortcomings, and for rational planning of our main political tasks and objectives for the coming period.

Annual membership meetings and party conferences confirmed beyond any doubt that the communists in the Central Bohemia kraj fully support the political line of the 17th Congress and the program of restructuring and intensification of socialist democracy. They are firmly determined to strive for its fulfillment. The primary point of departure for our discussions and also for our future activity is given by the decisions of the 7th plenum of the CPCZ Central Committee which elected Comrade Milos Jakes general secretary of the CPCZ Central Committee and which adopted a comprehensive program for the restructuring of the economic mechanism. Thus, we are proceeding from the results of the 9th plenum which provided decisive stimuli for the restructuring of the methods and forms of our party's operations and for its upgrading in accordance with the demands of our revolutionary times.

The Era of Revolutionary Changes

We are approaching the implementation of truly revolutionary changes in every area of our society. After intensive preparations, the introduction of the economic reform enters the stage of specific actions and practical

steps. Many ingrained customs are being shattered in our political, economic, social and spiritual life. We are all learning to work under the conditions of intensified socialist democracy, public information, and control.

The purpose of all these changes is to render our socio-economic development more dynamic and our economy substantially more lucrative, to create opportunities not only to overcome our current difficulties, but also to raise our entire society to a qualitatively higher level and ensure a better and fuller life for our people. The program of restructuring and democratization advances the revolutionary traditions of our movement, the legacy of the Victorious February, and the historical achievement of our people during the years of the building of socialism. We shall proceed from the socialist principles and apply them completely and creatively in the Czechoslovak situation. As we begin our way towards restructuring, so much more distinctive and enormously important is for us the example of creative advances achieved by the Soviet communists. Its theory and practical acts have revived Lenin's legacy and fundamentally enriched and developed the Leninist concept of socialist society. For us the Soviet experience represents an invaluable example, support, source of knowledge, and inspiration. We shall follow with great attention and sincere interest the 19th All-Union Conference of Soviet Communists which will be without any doubt a historical landmark in the life of Soviet peoples.

The changes already implemented or planned are the most meaningful ones in the development since February 1948; from their extent, depth and complexity it follows that their implementation will not avoid conflicts. It will require a tenacious struggle and a bold search for new solutions. We cannot shrink from problems or get stuck halfway. We must persist and bring the restructuring program to its completion. This is our only option for a further dynamic development of our socialist society and for the consolidation of the CSSR's position in the world. Therefore, the primary objective of the proposed decisions of this conference is to demand that all communists, party officials and organizations in the Central Bohemia kraj concentrate all their forces and energies on a thorough and energetic implementation of this line.

The written report which has been delivered in advance to the delegates contains a comprehensive account of the work of our party organization. It offers a detailed picture of the varied, multifarious activity of the communists and of the working people in this region in the past period. By the same token, it describes the procedures for the coming years, which will be further specified in accordance with the decisions of this conference. My oral report will spotlight the most important trends of the past years, mainly our principal tasks which we must fulfill.

The most significant characteristic of the work of the regional organization was its dynamic effort to implement the policies set by the [party] congress. The process

of restructuring, the policy of openness and public access to information, and more critical attitudes to shortcomings are beginning to find a positive reflection in the activation of the party's ranks, in our people's increasing interest in political affairs, and in the favorable changes of our political atmosphere.

The working people in our kraj have done a great deal of useful work under the communist guidance. On behalf of our conference I wish to express our sincere gratitude to the workers and technicians in our industry, construction, transportation and other branches, to the members of agricultural cooperatives and of the intelligentsia, to the employees of health care services, trade, school system and cultural establishments, to the officials and employees of national committees and of organizations of the National Front, to the members of our armed forces and governmental agencies, and to all comrades who have lent their hand to our common work. We highly value their confidence in our party's policy which the citizens of the Central Bohemia kraj expressed through their achievements, attitudes, efforts to implement the plans and election programs, and by their participation in discussions of the proposed laws and on other occasions.

Despite all difficulties, our socioeconomic development can report many good achievements. The production and the manufacturing potential of our kraj were expanded. Modern manufacturing facilities were put into operation. The infrastructure has acquired new buildings. Our health care, educational system, trade and other sectors of services also benefit from new opportunities to better serve the people's needs. More than 9,021 families moved into new housing units. The fulfillment of the election programs and Action Z helped improve the appearance and conveniences of our towns and communities.

Nevertheless, we must be candid and admit that even our kraj's economic development was marked in the past two years by considerable controversies. Next to some positive factors, serious flaws also occurred and in their totality, led to the nonfulfillment of the tasks for the Eighth 5-Year Plan, especially as concerns the dynamism of the creation of national income. A number of enterprises—the Koramo in Kolin, the Permon in Krivoklat, Dul Klement Gottwald [the Klement Gottwald Mine], the RKZ in Rakovnik, the Frigera in Kolin, the phonograph record company in Lodenice and others—succeeded in meeting their challenging tasks. However, about one-third of economic organizations in our kraj could not come to grips with their tasks. Among them are the AZNP [Automobile Works, National Enterprise] in Mlada Boleslav, Brandyske strojirny a slevarny [Brandys Engineering Works and Foundries]. The Sazavan in Xruc, Prefa in Hyskov, Blanické strojirny [Blanik Engineering Works] in Vlasim, and others. The development of costs, inventories and the rate of unfinished construction projects has been disappointing. These and other weak points documented in the written report confirm

that the process of intensification has not been adequately mastered. The general situation of managerial and organizational operations has failed to meet the stipulations of the 17th [CPCZ] Congress.

Certain objective factors played a role there. Plans have not always made provisions for the required supplies and interrelations in production whose continuous operation is also untowardly affected by the conditions of the supplier-consumer relations. Nevertheless, this cannot soften the impact of the subjective causes of the shortcomings, which have been the key factors in many instances. Our district conferences approached this issue with legitimate self-criticism. We are familiar with all these problems which stem from insufficient discipline, disorder, inadequate concern about quality and economy, disorganization and mismanagement, egalitarianism, and so on. Even more astounding is the fact that such a situation is often passively tolerated and no attempt is made to rectify it. This above all must change; this is where the restructuring must begin in every workplace.

However, this is not only an economic problem. A critical view will reveal similar flaws—formalism, bungling, red tape—also in other sectors. No unit should feel smug. Every unit must try to improve discipline, the quality of labor, and the efficiency of its management, and vigorously promote the ideas of the restructuring.

In general, we are able to report that in the past years our regional organization has done a great deal of work and gained valuable experience. Its unity and capacity for action were enhanced. We can see more clearly our shortcomings and weaknesses as well as their causes and their remedy. As Comrade Jakes stressed at the 9th plenum of the CPCZ Central Committee—the success of our restructuring program depends on a decisive upturn toward far-reaching, effective political activity and organization and mass political and ideological education. We must approach every task primarily with this in mind.

Major Tasks of the Current Period

As for economic policies, we are faced with two interrelated tasks: thorough fulfillment of this year's plan and of the objectives of the Eighth 5-Year Plan, and the implementation of the restructuring of the economic mechanism in our region.

To fulfill the plan, we must draw lessons from the results of the first two years of this 5-year plan. We must insist on complete fulfillment of this year's tasks everywhere. Their challenge is evident from the fact that with the 3.4 percent growth of industrial production in our kraj, adjusted value added must increase 7.5 percent and profits as much as 23.5 percent. This has to be done under difficult conditions. The existing economic mechanisms are no longer applicable, and the new ones have not yet begun to function. However, the plan cannot be

held back. Therefore, demands on managers' responsibility, discipline and conscientiousness must be raised, and no machinations and subterfuge must be tolerated anywhere.

In the first 4 months of 1988 our kraj's industrial production rose 4.2 percent and adjusted value added 6.5 percent, and in construction, the increase was 8.3 percent and 15.3 percent, respectively. The number of enterprises unable to meet their plan slightly declined. Nevertheless, due to a milder winter this year, we cannot be pleased with these results and must judge them according to stricter criteria. Production must be more regular and focus particularly on quality, the required structure and selection of goods, and on better quality and conservation of materials and energy. Every enterprise, factory and cooperative in our kraj must reflect these demands more clearly than ever before in its intensification program, and we must deal with them more systematically and consistently. Special attention must be focused on the fulfillment of suppliers' obligations; orders cannot be selected in an arbitrary manner, according to what is of greater advantage for the enterprise. Our party must oversee the fulfillment of economic contracts.

Our main concern will be party organizations in key enterprises whose achievements are most decisive for the whole region, especially the AZNP which is about to launch the production of a new model of passenger automobile that our public awaits with considerable interest. We trust that the communists and labor teams of the automobile plant will do their very best to fulfill this task. Our regional committee will assist them continuously. Also, a fundamental change is needed in supplies of the whole line of spare parts, which have been the subject of legitimate criticism.

We expect that the communists-workers in the Poldi spojene ocelarny [Poldi Joint Steelworks] will fully concentrate on improving the quality and line of their products. Only then will they ensure a good future for their enterprise and maintain and improve its place among the foremost European manufacturers of high-grade steel.

We appreciate the continuous good achievements of the labor teams in the Kladno mines, uranium industry and power engineering in our region. We hope that in the coming years they will again fulfill their tasks honorably. In the whole Central Bohemia kraj the effort to reduce the consumption of all fuels and energy must be stepped up and the conclusions from the completed public surveys must be applied.

Machine engineering, especially the aviation, automobile and several other industries, are vital for the industrial structure of our kraj. Their primary task is to upgrade their technical standards, quality and the rate of innovation, and fulfill their tasks in the technological rearmament of our national economy and in export.

Similar tasks are facing the teams in chemical enterprises. We are all aware of the problems with supplies of consumer goods for our domestic market. Enterprises manufacturing such products must help improve this situation.

The socioeconomic development of our region calls for effective measures to make central construction facilities more efficient both on the central level, particularly the Prumstav [Industrial Construction] and on the local level, to expand them and to reinforce their material base as a whole. We cannot rely on transfer or imports of construction capacities. Construction needs must be met by our own forces. We must not look impassively at the proliferation of unfinished construction projects whose number has increased almost 25 percent since 1985 to this day. It must be reduced, the construction rate must be accelerated and schedules of construction works cut.

Central agencies must take pains and render more assistance to resolve problems of transportation, about which we have heard a great deal of criticism, particularly about the standards and comfort of passenger transportation. That means that railroad tracks must be expeditiously rebuilt. For instance, electrification of the Benesov-Tabor and Beroun-Chrast lines is behind schedule. Key railroad junctions and the locomotive stock must be promptly updated. Formidable tasks are facing freight transport. Transporters must better cooperate with producers. Problems in passenger bus transportation occur particularly during the early morning and afternoon rush hours and in the beginning and at the end of the work week. As much as economically possible, ways must be sought to remedy the unsatisfactory technical conditions of the CSAD [Czechoslovak Bus Transport] fleet.

Attention to R&D

Our main political-economic task concerns accelerated R&D, more emphasis on the deployment of sophisticated technologies, and a higher share of innovated and high-quality products. In all our party operations we must give the highest priority to this orientation. Thus far, we have a scarcity of good examples in our region such as the Tesla in Kolin, Safina in Jesenice, TOS [Machine Tool Factories] in Rakovnik, and others. We cannot be satisfied with the rate at which microelectronicization, robotization and automation are being introduced. Naturally, much depends on the opportunity to acquire the needed technological equipment, but internal capacities of our enterprises also should be used to better advantage. In terms of our party's efforts, this concerns mainly more intensive cooperation with technological experts. The party must exert more pressure on research, development, construction and technological institutes on which the technological progress depends most of all. In this respect good examples have been set by the Aero in Vodoch, the TOS in Celakovice, the Strojmetal in Kamenice, Cenkovske strojirny [Cenkov Machine Plants] and recently also by the AZNP in Mlada Boleslav. Our Party organizations must create

everywhere an atmosphere that promotes creative technical thinking, intolerance to stagnation, and enough courage to take calculated technical risks. Superb technological accomplishments deserve greater moral and material appreciation. We must insist that the managers be well informed about all new achievements introduced by R&D in our country and in the world and that they take initiative in promoting them. They must develop close cooperation with research institutes and universities, and direct contacts with enterprises in the USSR and other socialist countries. Furthermore, R&D must better utilize workers' know-how and experience. Thus, we must provide more support for the movement of comprehensive rationalization teams, innovators and improvers.

Modernization must become an essential device of R&D, so much more so because many enterprises in our kraj have an outdated production base. In the situation of our region this clearly determines the direction for our investment policy.

Planning Changes in the Technological Production Base

The progressing economic reform has opened a floodgate of fundamental changes in every area of our economy. At present, 19 industrial enterprises in our kraj are already involved in the experiment which gives them more authority and demands more responsibility from them. In addition, three enterprises of trade and services have joined in the experiment. Restaurace a jidelry [Restaurants and Dining Services] in every district are already operating in full agreement with the new regulations. Despite various problems which the experiment is facing, it is beginning to demonstrate more and more the advantages of *khozraschet*. Our people are showing greater interest in its results, in getting rid of lazy workers, in electing able managers, in learning to calculate correctly and to measure achievements according to profits. The election of the OBP [Labor Safety] director in Benesov meant a new experience for our kraj. The Delicia in Mirovice and other enterprises are planning to hold elections. The party's regional and district committees will pay constant attention to party organizations in the experimenting enterprises and assist them in every way, and at the same time, benefit from their experience and knowledge.

The planning of organizational restructuring of the technological production base in our kraj is progressing well. It is no whitewash; redundant interrelations and incongruous units bureaucratically created in the past cannot continue, nor can there be any atomization of associations that are economically justified, well-run and profitable. Our intention is to respond to the needs of the development and to establish a flexible range of various dimensions and forms of state enterprises and state associations, manufacturing companies and syndicates, and so on. They must all prove their mottle as socialist entrepreneurs for the highest possible satisfaction of the needs of our people, bear full responsibility for their

operations and independent management, and finance their long-range technological development completely on the *khozraschet* and self-financing basis. We proceed from the premise that we must forge ahead with courage and confidence in the capacities and responsibility of our technicians, economists and labor teams in industry, and also with deliberation and with the realization that every violation of proven production, technological, supplier and economic relations would lead to considerable problems and losses. Therefore, this process must be carried out tenaciously and purposefully and serve our national interests but avoid narrow departmental or local concerns.

This week the presidium of our regional committee discussed and approved the proposals submitted by appropriate ministries for the first stage of the establishment of independent state enterprises and associations in our kraj pursuant to the law on state enterprise which will be in force as of 1 July 1988. Among them are the following syndicates: Kamenouhelne doly [Coal Mines] in Kladno, Ceskoslovensky yranovy prumysl [Czechoslovak Uranium Industry] in Pribram, Prumysl kovoveho odpadu [Metal Scrap Industry] in Kladno, AZNP in Mlada Boleslav, Ceskoslovensky tabakovy prumysl [Czechoslovak Tobacco Industry] in Kutna Hora, and furthermore, independent state enterprises Frigera in Kolin, Bateria [Battery] in Slany, Metaz in Tynec and Sazavou, Menet in Pardubice, Prazska akumulatorka [Prague Accumulator Factory] in Mlada Boleslav, TONA in Pecky, Karbo in Benatky, Obchodni tiskarny [Commercial Printing] in Kolin, and Sklarny Kavalier [Kavalier Glassworks] in Sazava. At the same time we note that in agreement with the submitted proposals several Central Bohemia manufacturing organizations, for instance, the metallurgical and aviation industries and certain enterprises of non-ferrous metallurgy and other branches will remain part of appropriate large economic units. However, we wish to stress that in all these cases we consider it imperative, in the sense of the principles of the restructuring of the economic mechanism, to revise the conditions and regulations of their enterprise subdivision management, in order to prevent economically unwarranted redistribution of their accumulated assets among their structural units, so that the differences between the well and the poorly managed organization not be eliminated, but on the contrary, so that the enterprises gain relatively far-reaching independence and responsibility for their *khozraschet*, that the same system of enterprise funds be created in them, and so on. We must endeavor to create everywhere more efficient and flexible internal management systems and to cut down the size of the managerial and economic apparatus.

In the spirit of the decisions of the 7th plenum of the CPCZ CC, we consider of utmost urgency the stipulation of the measures for the balancing of the differences in the initial base of individual enterprises, particularly in terms of the extensive current discrepancies in the degree of their obsolete capital assets, in their available circulating capital, etc. This we see as an important aspect of socioeconomic fairness vis-a-vis labor teams at the beginning of the restructuring process. Furthermore, our

regional committee will demand that the founders properly explain why certain proposals for the foundation of independent enterprises have still not been accepted, or we shall review some of those proposals. In cooperation with the party's district committees and with its organizations in enterprises and factories, we shall realistically assess the proposals for the next stages of changes in organizational systems of the centrally managed branches of enterprises and in economy managed by the national committees in our kraj, and we shall express our views about them.

However, the planned organizational changes must never diminish the responsibility of the enterprises for the fulfillment of the tasks of the Eighth 5-Year Plan, of the concluded economic contracts, and other obligations. As known, in the middle of June the Federal Assembly will discuss and adopt the new law on state enterprise. Therefore, we cannot delay systematic, expeditious political and cadre preparations for the appointment of the councils of labor teams and for a gradual introduction of the principle of eligibility of directors in every enterprise of the Central Bohemia kraj. Party organizations, district committees and the party's regional committee must focus particular attention on these issues and lead in this effort.

Do Not Wait for Instructions

For all enterprises it is literally the duty of the day not to tolerate an atmosphere of lingering, not to think that there is plenty of time nor to expect that someone else will take care of the problems. Intensification programs everywhere must adopt effective measures to achieve better profitability and to eliminate losses, enforce intensified enterprise subdivision *khozraschet* and broadly apply teamwork methods of organization and rewards.

In particular, standards and discipline must be enforced in rewards. We all know that egalitarianism puts a lid not only on earnings but also on performance, that it plays into the hands of do-nothings, and that it hurts conscientious workers. The only solution in every workplace is candid identification of those who are pulling the cart and those who are going for a ride; then the wages must be set accordingly.

The condition of *khozraschet* and the responsibility of the enterprises will be reflected in every workshop and affect every worker; this will call for changes in the accustomed organization of production, in the deployment of work forces, and so forth. All that will substantially raise the claim on the efforts of basic party organizations before whom looms the task of leading the work team, acting as its political core, ensuring political support for the election of managers and of the self-management, guiding their activities and developing socialist entrepreneurship and respect for national interest. Among our foremost duties in the coming period is the fulfillment of all these tasks.

Raising the Standard of Agricultural Production

As known, the transition to the new management system in agriculture will take place as early as 1 January 1989. The introduction of the new management system will impose much higher demands on the overall standard of management of agricultural enterprises which must meet the needs of their own development. In view of these new circumstances, the standard of our kraj's agriculture must be subjected to critical analyses. Its overall intensity cannot satisfy us. Enormous unwarranted differences between the best, average and backward enterprises still exist. Crop production has not advanced over the livestock production. The per hectare yields of grain and beet crops are below the stipulations of the Eighth 5-Year Plan. In cattle production the Central Bohemia kraj is behind the average of all of the CSR. Only 7 enterprises are producing more than 4,500 liters of milk: the JZD [unified agricultural cooperative] in Zehun (district of Nymburk), the JZD in Becvary and Stribrna Skalice (district of Kolin), the JZD in Jilove (district Prague-West), the JZD in Petihosty (district Prague-East), the Beet Cultivation Research Institute in Semice, and the School Farm in Brandys.

Agricultural science and praxis - for example, in the Oseva in Bezno, the JZD's in Nehvizdy, Kosova Hora, Potehy, Zdislavice, Tuchoraz, and the State Farm in Tochovice—provided enough information about raising the yields and utility value and about the application of science, technology and advanced methods of organization and management. This information must be applied more thoroughly and vigorously, and the program of intensification must be systematically implemented. If we would bring our lagging JZD's up to the level of average JZD's our kraj's agricultural production would earn Kcs 230 million. In the same way, state farms must intensify their production and bring it up to the level of the current average of the JZD's in our kraj, which would translate into an increase of Kcs 250 million. Thus, their whole system of management, organization and rewards must undergo more dynamic changes. Very significant is the fact that, in agreement with the new law, all 24 state farms in the Central Bohemia kraj will be organized as independent state enterprises already as of 1 July of this year. Preparations for the election of labor team councils and for a gradual introduction of the principle of eligibility of directors and other managerial personnel are already underway.

We must take full advantage of the opportunities stemming from the new law on agricultural cooperatives. Of course, the fulcrum of operations of our agricultural enterprises must be in agriculture, but associated production is of irreplaceable importance for the economic development of the JZD's and farms and also for the fulfillment of the needs of our society. Realistic possibilities in this area have not been fully exhausted.

The Central Bohemia kraj has great traditions of intensive agricultural production—it produces grain, beets, hops and cattle. Its agricultural cadres are experienced.

The party organization in our kraj's agriculture is among the best. Our agriculture has every chance to take giant steps forward and to achieve far better results than other regions. Managers, particularly communists, and above all, our party organizations in this vital branch must target their efforts to this objective.

For our kraj it applies that the greatest and least expensive resource is the elimination of the excessively high losses along the whole line of food production—from the field to the market. For the development of our agricultural production, better storage and processing facilities must be built and the food industry must be modernized in order to upgrade the processing of farm products. Rational processing of agricultural products in primary agricultural production also deserves our full support.

Implementation of the Social Program

An integral part of the restructuring is a firm social policy based on our people's needs and aimed at the activation of our population. The advances in the living standard of the working people in the Central Bohemia kraj over the past two years reflected the implementation of social policies outlined by the 17th [CPCZ] Congress, a faster growth of nominal and real incomes of our population, and resolutions of certain social issues, especially support for families with children and pension benefits. Nevertheless, even in this area problems still exist and with the improving living conditions of our population new needs are appearing as well. This is not a question of big expenditures in every case. A solution may often be achieved by greater care, initiative, discipline and perseverance.

The solution of housing problems, especially those encountered by young couples, is of great importance for our kraj, mainly in view of the dismal birth rate. In particular, the slippages which occurred in housing construction in the first two years [of this 5-year plan] must be eliminated and the goals of the 5-year plan must be realized. Much more attention must be focused on the maintenance and modernization of the housing stock which in many instances has been neglected. Some national committees—for example, in Mlada Boleslav, Kladno and Dobruška—established municipal housing enterprises and thus, brought the housing administration closer to the people. This experience should be more widely applied. After all, the trends toward decentralization and liquidation of monopolies in the whole area of services are desirable and necessary. Furthermore, attention must be paid to better housing management, and disorder, illegal use of apartments, etc., must be stopped. It would be advantageous for our kraj if it applied the experience of some towns and introduced registration of apartments.

Environmental Protection

We consider environmental protection an urgent political task, which means above all that the associations of the National Front, national committees and enterprises

should participate in, and organize thorough implementation of ecological programs that have been specified for every district. The party must scrupulously oversee their fulfillment. The planned limits on investments for environmental protection thus far have not met the needs of our kraj. Therefore, they must be raised and for that purpose, we must take advantage of every opportunity, including pooling of funds of economic organizations. However, it often is a matter of simpler, albeit no less needed measures, such as beautification, cleanliness and public order of our towns and communities. The Municipal National Committees in Dobris and Mnichovo Hradiste have set a good example, but many locations must improve their appearance.

Problems of our water economy are very important for our environment. Action Z in particular is doing a great job in building purification plants in our kraj. The supplies of drinking water must be expanded and the maintenance of our rivers and brooks upgraded. Moreover, comprehensive approaches to forest economy, better care for the cleanliness and cultivation of our forests must be enforced as a vital factor in environmental protection.

Better Services

The opportunities and the momentum provided by the restructuring of the economic mechanism should be utilized in services and our domestic markets. Thus far, small shops have been opened in only about half of our communities. We must overcome all reluctance and take advantage of every form of the new arrangement to provide additional services, especially those in short supply, make them more accessible and improve their quality. The same applies to everything that has been introduced by the new law on production, consumer and housing cooperatives.

Health care in our kraj has reported some achievements in the past period, but the communists in national committees and health organizations are facing an urgent need to resolve a number of acute problems—from the treatment of patients and the fight against corruption up to better prevention and therapy. We realize that our health workers have serious difficulties with supplies, with the recruitment of personnel, etc. The kraj committee will strive for systematic improvement of health services.

Services cannot be regarded as a matter of marginal importance. This area has increasing political, economic and social significance. The program of our regional committee will proceed from the premise that everything that concerns our people's needs is of fundamental political importance to us.

Expanding the Working People's Participation in Management and Administration

Next to economic reforms, the next vital factor in the restructuring is intensified socialist democracy and the development of self-management with the objective to

expand our people's participation in management and administration, to overcome symptoms of indifference, apathy and alienation, and to turn people into real masters of their enterprises, workplaces and communities. To achieve this aim, bureaucratic methods must be drastically eradicated, blind faith in the power of bureaucratic instructions eliminated, and we must realize that no official position guarantees a monopoly on wisdom or infallibility, and that might is not necessarily always right. Our duty is to create an atmosphere of trust and respect for the working man—an atmosphere of an open and honest dialogue.

Among the main objectives of intensified socialist democracy are improvement and activation of the agencies of the National Front in our kraj, districts and communities. It is not enough to call on them only when a parade or a voluntary labor team is being organized. We must see them as an irreplaceable device of political influence and a platform for the unification of interests of individual groups of our working people, for political cooperation of the communists with unaffiliated citizens and with members of other political parties and public organizations and hobby groups of the National Front. The agencies of the National Front must have a voice in decisionmaking concerning essential problems of our kraj, districts and communities, and contribute toward general enrichment of our public and cultural life in which various interests and needs of our people find their expression.

Public organizations must address themselves to all basic issues as a matter of course. They should present their standpoints at the meetings of national committees and initiate proposals and furthermore, take an active part in the implementation and control of the fulfillment of adopted decisions.

Organizations of the National Front To Change Their Style of Operation

In addition, organizations of the National Front must restructure their operations. The communists involved in them must initiate such efforts in order to strip any elements of formalism and bureaucracy from their activities and introduce real democracy in their internal life, so that their members and elected officials participate in decisionmaking and that the fulcrum of all action is in basic organizations. The party's leading role must be enforced without any thoughtless interventions, and proceed from the programs of the communists and of party units with which systematic work must be conducted.

Furthermore, the restructuring has enhanced the role of the ROH [Revolutionary Trade-Union Movement]. The amendment to the labor law, which is currently the topic of public discussions, has convincingly demonstrated the great authority of our trade unions as protectors of labor teams and individual workers, striving for stricter discipline of labor, fostering the social advancement of teams

and satisfaction of the needs of our working people, improving their skills, culture and safety of labor and in particular, offering them political education. Moreover, communist officials of trade union organizations in the Central Bohemia kraj must continue their endeavors to restructure the methods and forms of trade-union operations, to curb expressions of formalism, and to increase labor activism among people.

Our current agenda calls for necessary cooperation with party agencies and economic management in reassessing the development of socialist competition and labor initiative. Reports continuously claim that the involvement of working people in various forms of socialist competition is high, but considerable formalism very much remains in evidence. Obviously, appeals orchestrated from above and pledges fabricated on someone's desk cannot be a way of progress. Support for initiative should come primarily from a new incentive base created by the new status of the enterprise, from dissemination of the most vital experience, and from constant comparisons of achievements of the front runners with those lagging behind. We shall continuously analyze practical experience in order to find effective answers about further directions in this area. Yet we are convinced that socialist labor teams will continue to maintain their important place in the development of initiative.

Education and good political, professional, ethical and physical training of our young generation is of vital importance for the future of our society. One of our foremost tasks is concern about the SSM [Socialist Young League] and young people. Signs of revitalization and search for more flexible and attractive forms of activity are beginning to appear in the SSM program, but they are only harbingers. Much more work has to be done so that most of our young people from different social strata and of various ages can find in the SSM an opportunity to put their energy, interests and enthusiasm to some good use. However, to achieve that, the SSM must expand its influence on unorganized young people whose share remains high. The SSM must come to grips with utmost urgency with its still inadequate influence on young workers and their affiliation which in some places is quite low.

We must give more thought to opportunities for young people's enjoyment of their leisure time and develop sports, gymnastics, military and cultural activities and youth involvement in hobby programs, particularly in various types of creative scientific and technical activities.

The SSM speaks for our young generation and thus, it must have an input in the solution of young people's social, housing and other problems. We should do everything possible to enable them to benefit from the chances opened to them by the restructuring, so that they may participate in that program with all their enthusiasm, initiative and skills. Also, among the foremost tasks of the regional party organization in the coming years is all-around support for the Pioneer [children's] organization.

Achievements of individual organizations of the National Front which pursue their specific agenda and their own tasks are described in detail in the written report to the delegates to the kraj conference. The SCSP [Czechoslovak-Soviet Friendship League], the Union of Anti-Fascist Fighters, the Czech Women's Union, the Cooperative Farmers' Union, unified physical education, the Firefighters' Union, scientific and technological societies, etc., are fulfilling their challenging tasks. We sincerely appreciate their accomplishments which contribute to the development and abundant life of our society, and we shall support them in every possible way.

A New Base for the Work of National Committees

The program of restructuring and democratization have created a new base for the activities of national committees whose role is expanding, with the new opportunities opening for them, but also with increasing obligations and responsibilities. New methods of economic management of national committees, the creation of their own solid financial base, their organizing function and expanded authority in promoting a comprehensive development of this territory—all that calls for the restructuring of their work which should combine highly competent professional management and thorough application of democratic principles. However, the standards of the performance of individual national committees are still marked by enormous differences.

This challenges the communists in national committees to apply their energies to broaden new approaches and enforce democratic methods of work and flexible forms of operation in the state administration. It must become a common practice to present to our citizens for public discussion all important issues concerning the life and development of our towns and communities. For instance, in the future the communities cannot be merged upon orders coming from above, but only with the agreement and consent of citizens who are affected by such changes. Direct contacts with citizens must be intensified, their proposals and recommendations attentively considered, and they must be given regular accounts of the work done. Another meaningful task concerns expanded activities of civic committees and housing commissions, and their cooperation with the deputies.

It is increasingly important to develop our territory in a comprehensive way. Obviously, it is the highest time to return to problems affecting the general concept for the development of the Central Bohemia kraj and to resume the previously completed work, while concentrating on more specific identification of our objectives and on comprehensive solutions of fundamental problems encountered in the long-range development of our region in conjunction with the general planning for Prague.

Democratization Indivisibly United With Enforcement of Discipline

We regard the development of democratization as an indivisible unity of consolidation of discipline throughout our society and of socialist legality with a tenacious

struggle against all negative phenomena, parasitism, profiteering, corruption and abuse of one's official status, etc., which are still in evidence. For instance, Zdenek Husak, MD, chief physician of the department for internal diseases in the hospital in Vlasim, was sentenced to two years of imprisonment without probation and to a fine of Kcs 15,000 for the criminal act of accepting bribes and abusing the authority of public servant. The party's agencies and organizations and the communists cannot ignore such negative phenomena; they must respond to them publicly and be consistent in drawing all necessary conclusions, including party penalties. The stipulations presented in the Letter of the Presidium of the CPCZ Central Committee must be constantly enforced as one of the duties of our party's agencies and organizations.

We presume that our federal agencies, [National] Security [Corps], courts and prosecutors will act more efficiently to prevent and punish crime. Also, agencies of people's control must upgrade their achievements, particularly in the sector of internal control in enterprises and institutions. We are far more interested in their results than in the number of inspections which, on the contrary, must be more efficiently conducted.

We shall continue to pay special attention to our defense and security policies and help increase the striking power of our armed forces and their unity with our people.

Before our conference today we wish to emphasize especially the major role played by our People's Militia. We are grateful to the commanders and to all members of the People's Militia for their dedicated fulfillment of their responsibilities. I should like to assure them that in the future they will again have the full support of the party's regional committee which will constantly follow and promote the consolidation of the People's Militia.

Appropriate Training for the Young Generation

A vital task for our school system, especially for teachers-communists, is good training of the young generation for the challenges of the restructuring process, teaching them to choose their vocation in accordance with the needs of our economic, scientific and technological development and with the interests of our society, and above all, improved and more effective ideological education and concern about each individual, including talented students. Secondary school students, particularly those attending vocational institutions and living in dormitories, must use their free time in a better way; isolated, but still evident negative phenomena must be confronted with more determination. Our party's organizations in schools and the communists in national committees must speedily upgrade the qualification of educators.

Culture and arts enrich the life of our working people and of youth, and foster the socialist way of life; they must emphasize more a dynamic development of our society and encourage its creativity. Precisely in our era

actors, artists and architects in our kraj are offered many stimuli and inspirations for the creation of their works. Creative artists will enjoy our support. In particular, artists' associations need systematic political cooperation. The standard of crafts and of public amusements must be raised to a higher level.

The Party's Leadership in Restructuring

The restructuring process imposes enormous demands primarily on our party as its organizer, initiator and guarantor of its socialist character and of its irreversibility. By the same token, it also forces the party to reshape its program and to eliminate all formalistic approaches and routine. We all must learn to work under the conditions of a new economic mechanism, democratization, the policy of openness, public information and control.

The decisions of the 9th plenum of the CPCZ Central Committee have outlined the necessary ways and means that should be used to upgrade the party's work and to meet the demands of our revolutionary times. Before the end of June our regional organization must implement the decisions of the 9th plenum of the CPCZ Central Committee and the decisions of our regional conference, and discuss them at party meetings in depth and in a stimulating and forthright manner.

Consultations with the members and candidates, the discussions at annual membership meetings, and party conferences have confirmed that our regional organizations have the capacity to meet that demand. It is steadily gaining experience in enriching the party's work with new factors. Annual meetings of several organizations were notable for their stimulating, candid and critical tone; new decisions were adopted, for example, by the 8th basic CPCZ organization in the Blanické strojirny [Blanik Engineering Plants] in Vlasim, by the JZD in Becvary, and by the 17th basic CPCZ organization in the Spolana in Neratovice. However, this wind of change has not penetrated a number of basic organizations.

Our foremost duty is to overcome the attempts to act for state, economic and social agencies and to duplicate their operations, albeit with the best intention to help speed up the proceedings. Such acts distract party agencies and organizations from their own mission—to be a political vanguard. At the same time, it weakens our responsibility and poses a risk that our state and economic authorities and public organizations may just pass the buck. We must see to it that national committees act as genuine national committees in every respect, and that directors or economic managers act with authority and be fully accountable for their performance. The party's work must never be reduced to an educational function and its influence weakened; on the contrary, this calls for a more assertive leading role of the party. The means to that end includes in particular the ideological and political leadership, cadre policies and the enforcement of the right of control by communist officials of individual agencies.

Bureaucratic methods and orders cannot be tolerated in the party's operations and in the enforcement of its leading role whose fulcrum is mainly in its work among the people, in its influence on labor teams, and in lively and frank exchanges of views with the public. The communists must not feel superior to others and forget that they are not building a new society all by themselves and only for themselves, but with our whole nation and in our nation's interest. It is very important that party officials hold frequent and regular meetings, conferences and discussions with citizens. In this conjunction, Gottwald's motto "Face the masses!" is very timely. It demands that the information system be improved from the top down and from the bottom up. In the nearest future, our regional and district national committees and organizations will discuss the steps to improve the flow of information within the party, which were approved by the presidium of the Central Committee.

In the Spirit of Leninist Principles

To enhance the party's role as the political vanguard of our society, every party organization must proceed in its internal actions from the Leninist principles of democratic centralism and democracy within the party, in the spirit of the party's statutes. This requires above all a higher level of the party's collective work, so that the planning of its agenda, decisionmaking and control of the fulfillment of decisions become a teamwork of the whole party and not of a small group of comrades. In these matters excellent results were achieved by the regional committee, district committees and several party organizations, for example, in the Koram in Kolin, the JZD in Drisy and elsewhere.

The standard of membership meetings and conferences of party agencies must be improved. The main thing is to focus the discussions on the most relevant issues in an atmosphere of complete frankness, criticism and self-criticism, so that every member may express his or her opinion without fear or hesitation, so that nobody can attempt to "orchestrate" the discussion, and so that the debates and exchanges of views may reach a consensus that must then be jointly carried out.

Communists-managers must render accounts, which should become a far more important item of the party's discussions. We must improve the efficiency and achievements of our programs by reducing the number and the extent of written reports and decisions, with greater emphasis on their fulfillment and control.

Criticism and self-criticism have gradually assumed a permanent spot on the agenda of the regional committee, district committees and several organizations. However, this trend must be carried even further. Any suppression or restriction of criticism, by whatever method, is wrong and must be systematically eradicated in our party's life. There is no issue that cannot be critically discussed, and nobody can be exempt from fair criticism.

Further Improvement in the Party Ranks

One of our foremost tasks is continuous upgrading of the party's rank and file. More than 9,000 new candidates for membership have been accepted in our kraj since our last conference. The membership base was further enhanced and today its strongest group consists of workers. Two-thirds of communists were originally workers, however, only less than 30 percent of them are employed in workers' jobs at present. Therefore, more attention must be given to admission of workers from manufacturing enterprises, particularly in the districts of Prague-West and Benesov.

Districts of Rakovnik and Pribram and several organizations, for example, in the Tatra in Kolin, Aero in Vodochody, the JZD in Nehvizdy, and so on, achieved good results in admission of candidates. Naturally, some organizations, such as Kovohute in Mnisek, the STS [State Tractor Station] in Slany, the JZD in Svetice and others, give us no reason to feel satisfied. Certain organizations—for instance, Stavebni stroje [Construction Machinery] in Knezeves, district Prague-West, and Naradi [Tools] in Zdice—failed to admit a single candidate in the past two years.

Mechanical fulfillment of tasks cannot be tolerated when admitting candidates. Never, under no circumstances can we relax the conditions for admission of candidates. We must consider what their labor teams think about the candidates because we cannot accept persons unfit for the party membership.

New candidates should be admitted in a systematic way. The main thing is to focus on the most essential occupations; in manufacture we must pay attention to workers as well as chief engineers and technicians, in health services to physicians, in the educational system to teachers, and so on.

Higher demands must be made on communists whose conduct and character should serve as examples of dedication, modesty and honesty. Individuals who dishonor the noble escutcheon of our party and the good name of communists have no place in the party's ranks. Above all, the party's leadership must meet high expectations. Those who fail to fulfill their duties, who violate the statutes and laws, or conceal illegal acts committed by other persons jeopardize the interests of our society and must be brought to responsibility. For that reason, we were forced to sever relations with the former secretary of the CPCZ's district committee in Kladno, Ferby. The party expelled Grunwald, an official of the CPZC's district committee in Mlada Boleslav, and Prochazka, former director of the Municipal Cultural Center in Mlada Boleslav, and some others for accepting bribes.

Today it is more important than ever before for every communist to set an example to his environment by his or her personal involvement. We want to emphasize in particular the example of our pre-war party members

who are still active in CPCZ's political programs. We send them greetings from this conference and thank them sincerely for their dedication and for all they have done, and still do, for our party. We are convinced that the new generation of communists will follow in their footsteps.

We are still encountering problems with some passive members. We see a solution primarily in more stimulating programs of our party organizations, in a higher level of the membership meetings, and an attentive response to the experience and suggestions offered by the communists. The restructuring process will galvanize communists. Nevertheless, in cases where no improvement could be obtained over an extended period, we must use appropriate means to get rid of inactive members, unless they are old comrades whose health situation must be taken into consideration.

Higher Demands on Work With Cadres

Since our last conference the regional committee, district committees and basic organizations have done extensive work in the cadre sector, but even there time has imposed higher demands, as specified in the decisions of the 7th and 9th plena of the CPCZ Central Committee. Our work with the cadres must proceed from the principle of intensification of its democratic character; expanded eligibility and thus, also the possibility to remove the cadres from office; multiple choice of candidates; competition; review of performance, etc. The work with the cadres cannot be clad in secrecy; on the contrary, our working people must be more involved in the selection and supervision of the cadres. When nominating officials, we must always give an opportunity to basic organizations to express their standpoint. In accordance with the decision of the Central Committee, the regional committee will propose new cadre principles which will shift appointments to several official functions from the kraj to district committees, and from their nomenclature to basic organizations.

When selecting cadres, we must focus on active and creative members who are willing to take risks and to fight for restructuring, on activists who are highly skilled, politically mature, morally strong, able to think and act along the new lines, to earn the people's confidence and to lead people forward. All this demands that our party agencies and organizations get much better acquainted with their cadres, cooperate with more alternates, search for talented individuals, and help them grow. When selecting cadres, we must not limit ourselves to a small group—we must be bolder and promote persons, especially young individuals, and even persons without political affiliation.

We must give full party support to managers who recognize the challenges of our times and who are good leaders of their teams, such as Comrade Kriz, director of Rudne doly [Ore Mines] in Pribram, Comrade Svoboda, director of the Tesla in Kolin, Comrade Stanek, the JZD chairman in Kolesovice, and Comrade Simek, chairman of the State Farm in Veltrusy. Many others could also be mentioned here.

Another group of managers shows the potential for fulfilling the tasks of restructuring, but must demonstrate more initiative in work and demand more from themselves and from others. We must encourage them with objective, comradely criticism. Of course, certain managers think that all they need to contribute to the process of restructuring is to preach. Whenever their performance begins to stagnate, necessary changes cannot be delayed anymore.

Struggle for a New Way of Thinking

Our ideological work and our struggle for a new way of thinking and for an ideological groundwork for restructuring have now gained extraordinary importance. Our working people must be given convincing and thorough explanations of our past and future aims, the reasons for the far-reaching revolutionary changes we are pursuing, and the need to eradicate everything that keeps us lagging behind, and to introduce new, more effective mechanisms for the development of our socialist society. All this cannot be achieved without a struggle with conservative views, dogmatic thinking and stereotypes that over the years have taken a deep root in the way of thinking and in attitudes. Restructuring has gained full support of our party and of the overwhelming majority of our working people, but of course, also with considerable confusion and sometimes with justified anxieties. Not everyone is ready to understand the new trend. Therefore, we must explain it patiently and frankly, answer every question convincingly, and dispel any misunderstanding and doubt. We cannot pull punches from views behind which lurks a fear of change or an attempt to protect one's privileges or to remain on the gravy train.

The central committee stressed that the party must also prevent hostile foreign and domestic forces from taking advantage of the restructuring process, from exploiting for their own purposes problems and difficulties occurring in restructuring, for example, when managers are transferred due to administrative cutbacks, or on historical anniversaries, and also the 20th anniversary of the post-January 1968 events. Thus, the party, all its agencies and organizations, and every communist must intensify the political and ideological program of the party. We must be fully aware of people's moods and attitudes, react promptly to problems as they occur, effectively influence public opinion, identify and crush in the bud any antisocialist attempt, and unite great masses of our working people for the implementation of the restructuring program. Consequently, we must take the offensive and explain the aims of our policies and the lessons of our history. We cannot permit the policy of openness and public control, the development of socialist democracy, and the greater role of the National Front to serve as a pretext for efforts to organize an antisocialist opposition.

Moreover, we must effectively confront any attempts to exploit religious feelings, which we recently witnessed. The position of our party and of our state on these issues

is well known and has been publicly and candidly expressed on many occasions. Pursuant to our constitution, we fully respect the believers' religious convictions. We are interested in fostering constructive relations with the Roman Catholic church, but we shall not tolerate any efforts to exploit religious sentiments.

Furthermore, we shall effectively oppose every effort of the antisocialist forces mainly with a political struggle and influence so that the overwhelming majority of our working people may resolutely counteract all attempts at subversion. As Comrade Jakes said at the 8th plenum of the CPCZ Central Committee, let us neither overestimate nor underestimate such efforts.

We must use every device of ideological influence far more efficiently; ideological work cannot be undervalued, but rather raised up to the standard of our new challenges and brought into a closer unity with the party's life and its current tasks. The Central Committee will discuss the party's ideological policy at one of its next meetings. On the basis of its conclusions the regional committee will assign tasks for the party's educational program, economic and political propaganda and for other sectors.

Steps to expand public information in our kraj have also been initiated. In this respect, the achievements of the regional daily SVOBODA above all deserve our appreciation. Furthermore, district newspapers, for example, in the districts of Mlada Boleslav and Melnik, and some factory publications have earned good marks. Newspapers in the districts of Kutna Hora, Benesov and Nymburk, and most factory periodicals must follow their path in a more energetic manner. Moreover, district and factory publications must serve as platforms for candid discussions, open criticism and self-criticism and for the dissemination of information about good examples, and thus, encourage the working people's involvement.

Comrades:

Basic organizations are fundamental factors implementing our policies in factories, towns, communities, institutions and in every workplace. In the coming period our regional committee will be concerned first of all about improving the program of basic organizations, which is a task of particular urgency because their work continues to be plagued by considerable differences.

Some district committees—for instance, in Prague-East, Kladno, Rakovník, Píbram and Melnik—gained valuable experience with intensified methodological assistance to basic organizations; such aid must be expanded. Their capacity to analyze the political situation independently, to draw correct conclusions, to enforce imaginatively party policies under specific conditions, to react prudently to all important problems, and to gain people's support must be enhanced. Under no circumstances can we tolerate any efforts to control the basic organizations by written directives, to demand from them excessive reports and data, and to patronize them.

New Methods of Work of the Regional and District Committees

The regional and district committees and the party apparatus must pay special attention to better working methods. In accordance with the decisions of the CPCZ Central Committee, we shall enforce in the regional committee new approaches in our cadre, organizational and ideological program. We shall seek ways to improve our methods of operation and to continue the already launched programs. We attribute considerable importance to the greatest possible involvement of the members of the regional committee and of its task force in the planning of discussions, in the fulfillment of decisions, and in the reviews of that fulfillment. We shall present in a proper form the most relevant issues for consideration to the party and to our public.

As for the commissions of the regional committee, we recommend that in addition to the already established commissions, a new commission be organized to deal with the kraj's environmental issues in the broadest sense of that word. Furthermore, we recommend that a commission be appointed to deal with the party's internal policies, including membership issues, and especially with reviews. The regular agenda of its meetings will include discussions of reports about the tasks fulfilled by the communists-managers of individual sectors, about the experience of individual districts in their implementation of the program of the 17th Congress, and about the activities of our party organizations in key factories and enterprises. For a closer cooperation with party organizations in factories we plan to recommend to election commissions that more comrades from manufacturing enterprises be represented in the plenum of the regional committee. We plan to take the same action when proposing the slate for the new presidium of the regional committee. The program of the members of the party apparatus will be set so as to help our party organizations and to review the fulfillment of decisions. We shall strive to upgrade the standard of its daily work.

The work of the regional control and audit commission and the activities of these commissions on lower levels of the party structure will be gaining more and more importance in improving the policies of our regional organization. Their conscientious attitude helped disclose and promptly eliminate shortcomings, enhance the responsibility of leading communists to our party, and bolster the principles of communist ethics. The future tasks of the control and audit commissions will impose much higher demands on the protection of the integrity and unity of the party's ranks, observation of the party's statutes, and on the fulfillment of the party's decisions.

Comrades:

From the accounts of the achievements of the past period we may conclude above all that we must step up the implementation of the program stipulated by the 17th Congress and of the decisions of the 7th and 9th

plena of the CPCZ Central Committee. Another conclusion derived from our past achievements leads to the conviction that our regional party organization has sufficient political and organizational experience and adequate strength and energy to cope with its future tasks. We are aware of the new challenges and higher demands on the work of the 150,000 communist party members in the Central Bohemia kraj. We shall do our best to make our regional organization a firm support of the Central Committee, so that the achievements in the development of our kraj may serve as a solid foundation for a happy life of its citizens and contribute to the general progress of our nation.

We shall endeavor to use to greater advantage the experience and skills of the workers' class, of the members of agricultural cooperatives and of the intelligentsia in our kraj, and to gain them for a creative participation in the restructuring process.

We shall derive strength from the great revolutionary, communist and workers' traditions of the red belt of Prague and of the regions of Kladno, Beroun, Mlada Boleslav, Pribram and Kutna Hora and other localities, and enhance those traditions with new accomplishments.

Our special efforts will be focused on the consolidation of our regional organization and of unity and activism by improved methods of work and by a close association with the people. We must proceed everywhere from the realization that in every area and in every workplace the party is the guarantee that the stipulated goals will be reached.

An item on our permanent agenda will include working people's education in the spirit of Marxism-Leninism, socialist patriotism and internationalism, and fraternal relations with the nations in socialist countries, above all, in the USSR. We know how important it is for us to strengthen our friendship with our partners in socialist countries. Moreover, in the future we shall intensify our fraternal relations with our friend and most faithful ally, the Soviet Union.

We Support the Peaceful Efforts of the USSR

A meaningful aspect of our working people's constructive efforts is their desire to live in peace and their effort to work for a lasting peace, so that our current and future generation may never again suffer the horrors of war. In that spirit we shall always strive to interpret the peaceful efforts of the USSR, the peace initiatives of Comrade Mikhail Gorbachev, the policies of the socialist countries for consolidation of international cooperation and for a common European home, and the peaceful foreign policy of the CSSR. An important step in this direction is the Czechoslovak proposal for the creation of a "trust zone" along the borders between both configurations, which was presented on the occasion of the 40th anniversary of the Victorious February.

We recognize the challenges before us, but this work is to the benefit of our people, for the prosperity of our socialist country, for the fulfillment of great socialist ideals to which whole generations of our ancestors consecrated their lives and for which they brought the highest sacrifice. We shall spare no energy to prove our mettle and face our revolutionary tasks with honor.

09004/7310

Raising Work Ethic to Higher Level Demanded *24000158 Bratislava PRAVDA in Slovak 3 Aug 88 p 1*

[Text] Few problems have been discussed as extensively as the need to firm up the work ethic. Nevertheless, a conscientious fulfillment of duty has so far not become the norm. True, there are enterprises, cooperatives and institutions where a high work morale has been elevated to a law. The value of an example is beyond doubt but it is the average that is decisive: according to statistical data work time utilization in Slovak krajs and in Bratislava hovers barely over 90 percent. This reading is of a limited expository value; it does not express for instance the extent of initiative and moreover is a summation of "reports" the accuracy of which can be fairly doubted.

Concern over the work ethic is being voiced not only by party and state organs but also by people at the machines and in the fields. Based on reports from the workplaces, "dozens of cases were found of violating socialist morality and work discipline—failure to observe full hours, late arrivals and early quitting." This was stated by Comrade Frantisek Kozak, chairman of the CPSL factory-wide committee in the East Slovak Iron Works' Maintenance Plant. Cases of an almost unbelievably lackadaisical attitude toward quality were uncovered by people's control in the Drevina Turany nad Vahom, plant 01, where out of a total output of doors 60 percent had serious defects! "We have focused mainly on eliminating workplace consumption of alcohol," according to Engineer Jozef Noskovic, chief of control in the Kysuca Woodworking Industries, Krasna nad Kysucou. "The situation is improving, but not as fast as we would need." In capitalist enterprises everyone beholden to alcohol must reckon with dismissal, and his trade union will not even try to protect him because a person dulled by alcohol is a threat to himself as well as to others, his productivity declines and he becomes unreliable.

No one will ever make a precise calculation of the losses caused by deteriorated work ethic, but we know that they are enormous. Indeed, officials of the CSSR State Planning Commission assert—and there is no reason to doubt them—that our economy could attain the planned momentum of expansion if there existed sufficient motivation to eliminate the lack of thoroughness and discipline in production. The absence of such motivation can be expressed by the sum of 35 billion korunas: such is the shortfall in generating resources in the current 5-year plan. Thus far we have not really felt the effect of this

shortfall because social consumption was not restrained and the missing resources were supplied from the reserves. But these are now virtually exhausted.

We do not intend to magnify the problem of work ethic into a cardinal and sole problem of our economy. Its transition to an intensive expansion track is also conditioned by other factors such as the introduction of new technical means and progressive technologies, but the role of man and his motivation is an essential ingredient in all of them.

To see that every working person wants, must, and has the necessary conditions for it is the binding mandate of a wage policy (thus far it suffers from egalitarianism, tolerates laggards and pushes the best toward average). Here one is reminded of the role of foremen who should be much more demanding, of insufficient control, cases of poor preparation for production, breakdowns in supplier-purchaser links, and the like. Each of these aspects of motivation which are not sufficiently effective has been discussed a number of times on the pages of PRAVDA, but still the topic has not been exhausted....

From the restructuring of the economic mechanism we expect a radical turnaround in regard to work ethic. A full but effective employment will help engender respect and obligation to it. Enterprises themselves will determine the size of their work force according to their need and opportunities for employment. They will simply be unable to retain shirkers or supernumeraries because according to the principles of self-financing and complete *khovrazhot* they must earn the money for wages. Effective 1 January of next year the cost of what until now was inexpensive labor will be increased by means of levies. The State Bank will pinpoint organizations with persistently growing inventories of unfinished goods and products failing to meet consumer demand, and will cut their wages payable.

These and some other measures have the form of an administrative pressure and economic stimulation. They are unavoidable. But are they sufficient by themselves?

We ask this question deliberately because many economic managers as well as functionaries view the introduction of penalties (including broader possibilities for terminating employment by dismissal) as the main and almost sole vehicle for improvement.

In their opinion, production is based only on strict, unconditional discipline and uncompromising performance of duty. They refer to a report delivered at the seventh session of the CPCZ Central Committee, in particular to the passage emphasizing the need to "raise discipline, achieve full utilization of work time, improve work organization and strengthen personal responsibility."

This passage torn out of context seemingly supports technocrats who absolutize the technical and technological side of production (and overlook the human being), as well as reduce productive forces to mere technical-organizational structures. Alas, the present predominantly administrative and command method of management sustained them in such views.

The technocrats also display a reserved attitude toward restructuring since its essence lies in a dialectical unity of competent management and expanding democracy in production. Such a democracy, they say about restructuring, will bring chaos, dangerous spontaneity and anarchy into production.

But the truth is different! Democracy in production will help develop qualitatively new relations leading each worker to feel as a manager in his workplace, to conduct himself and work accordingly. There will be a change in his relationship with the enterprise and with work; his discipline will be reasoned. "The management system we are creating," said Comrade Milos Jakes at the 7th meeting of the CPCZ Central Committee, "does not rest on the force of command and administrative measures, but rather on forging an identity between the interests of individuals and collectives and the interests of the state, of the socialist society."

The new relationships will erect barriers to a supercilious attitude of managers toward their staff; they will not permit a return to technocracy and bureaucracy.

With democracy in production we see a strong incentive entering into work motivation. This has already been grasped by progressive managers in many places who support the establishment of work collective councils and election of enterprise directors. They promoted the founding of state enterprises, gave a new content to production conferences, to socialist competition, publicizing of outstanding workers, and declared the satisfaction of the consumers' justified demands to be the target of production.

In the conditions of restructuring the attitude to work and its shaping represents a substantial category. Its purposeful implementation will open up room for wide activity and initiative of the people and their creative industry.

So far we have been discussing the work ethic and motivations which will shape it in general terms, aware that this topic will be studied more deeply and concretely in the coming year of party courses, in professional literature, and that many will look for experience from well-managed companies to the west of our borders. This experience is by no means without interest. The successful companies prefer small, fully independent self-managing units. They seek to instill in each employee a perception that he is no mere cog in a big enterprise machine but rather its important component, that it also depends on him how well the enterprise is doing. They

are backing away from authoritarian management methods, inclining toward interpersonal communication, motivation and work satisfaction. Indeed, overly strict work rules give rise to fear of violating them, cause anxiety over making a mistake, lead to declining initiative. The main method of motivating people is by communicating with them. Summed up in a single sentence—the leading companies place greater emphasis on the emotional than the rational psychology of the human being.

We have given so much room to the experience of companies operating on the other shore not because we wanted to adorn it with a stamp of novelty or discovery, but rather to underscore that the management of people and shaping of their work ethic has its own laws. Of course, they assume different forms in different conditions of production. So for instance the formation of small self-managing units has in our country developed into the brigade form of work organization and remuneration. A complete *khozrazchot* and self-financing will strengthen the employee's relationship with the enterprise, but also enable him to confront the results of his work and that of his collective with the broader interests of society. There is no longer any need to debate the need for communication between managers and the managed; this should be a matter of course. We are carrying on a struggle against blind superciliousness and bureaucratism along the entire line of the reproduction cycle. We have defined democratic centralism and are putting it into effect.... The socialist method of production offers us still other opportunities which are unattainable for the socialist method. There is only one thing that remains: know how to grasp them!

The necessity of work is the strongest instrument of human self-realization. The process of restructuring the economic mechanism, if it is to forge ahead successfully, must therefore be connected with strengthening the cult of work. That's the only cult that socialism is entitled to and that it needs.

13445/9274

GERMAN DEMOCRATIC REPUBLIC

New State Secretary Assumes Church Portfolio
23000161 West Berlin KIRCHE IM SOZIALISMUS
in German No 4, Aug 88 pp 146-147

[Article by H. Roeder: "Change of Office With a Great Burden: Kurt Loeffler Replaced Klaus Gysi as State Secretary for Church Affairs"]

[Text] Whether as director of a publishing house, minister for culture or ambassador in Rome, Klaus Gysi, now 76 years old, has always been good for some surprises. And his appointment 9 years ago as state secretary for church affairs came just as unexpectedly as the announcement in mid-July that he was resigning from this office.

The brief report by the news agency ADN in East Berlin did not give much sense of this, however. According to the report, Gysi resigned at his own request for "health reasons" only. In this connection, the reference to his weakened health is certainly not entirely false. His occasional visits to the hospital and spas in recent years were a quite obvious indication of this.

Nevertheless, he continued to work until he was formally dismissed by GDR Prime Minister Willi Stoph on 13 July. And nothing prior to that had indicated that his replacement, long expected by the churches as well, was imminent. But the fact that not even his interlocutors in the churches were given the opportunity for a personal good-bye, as one certainly might have expected, emphasizes once again that Gysi's departure from politics did not occur at all as planned.

But many other things also did not take place as planned in Gysi's last year in office: the massive state action, for example, against the environmental library in Zion Parish in November of last year, against members of church peace and human-rights groups in January, against people attending worship service in Sophia Parish in East Berlin last March, or—almost continuously for months—against the churches' own weekly newspapers.

What was again and again impressive about Gysi in these and similar conflicts between church and state during his almost 9 years in office as state secretary for church affairs was his inclination toward quite unconventional solutions. He thereby doubtless benefited from the fact that he had a "direct line" to the chief of state and party Erich Honecker and thus the best prerequisites for implementing his decisions as well. He was not always successful, of course. He was later forced to take back many promises that he had made in regard to such fundamental problems as the discrimination against young Christians in education in the GDR or questions of military service or with which he sought to settle current conflicts. So often one got the impression that he was only promising solutions to gain time. Impressive examples for this practice are the objective talks on questions of scholastic education or on possibilities for a civilian alternative military service that were repeatedly requested by the leadership of the Protestant League of Churches and first promised by Gysi but then deferred.

For the time being, it must remain open whether he failed because of this or more because of the internal party conflicts in the SED. It is clear, however, that with the 56-year-old Kurt Loeffler a successor was appointed who, like Gysi, has made a name as a cultural politician and who basically was under discussion for this office since the year of Luther 1983.

Nevertheless, the decision that has now been made was more than unexpected for the protestant churches as well, because in the current altercations between church and state above all about the working possibilities of the church-controlled weekly newspapers Gysi has tended to

give the impression right up to the last days that he still wants to settle the conflicts. But precisely these conflicts may also have been what ultimately caused his party to make the change exactly in this difficult situation. Thus Loeffler's entering into office is under a burden that cannot be removed so easily. In any case, it has been a long time since the loss of trust between church and state in the GDR has been as great as in recent months. Nor will it be easy for Loeffler to get out of this more than muddled situation, especially since his new office is not meant to set church policy guidelines but to pass on to the churches the direction determined elsewhere. Therefore, a new beginning in church policy would have to go back to the principles that were laid down in the high-level conversation between Erich Honecker and the managing board of the Protestant League of Churches on 6 March 1978. Chief among them was state recognition of the independence of the churches, even when it involves questions of social policy.

Whether they are successful in resolving the existing tension between the protestant churches and the SED leadership will depend primarily upon the political developments in the GDR but also upon Loeffler's skill in establishing contact with the churches and their leadership. And the new man is doubtless bringing good prerequisites for this.

For the protestant churches, in any case, he has long since ceased to be an unknown quantity. He was secretary of the GDR's official Martin Luther Committee from 1980 through 1983, deputy chairman of the GDR committee for the 750th anniversary of Berlin from 1985 through 1987, and since this spring he has been secretary of the Thomas Muentzer Committee established under Honecker's chairmanship. These functions have repeatedly brought him into contact with partners in the church, including several times with Werner Leich, the current chairman of the GDR League of Churches and bishop for the Thuringia region, who at one time was chairman of the ecclesiastical Luther Committee. In the many meetings for the Luther anniversary as well as in the preparations for the church events celebrating the anniversary of Berlin, the churches have come to know and appreciate him as a partner who is willing to talk and make compromises. His appointment as state secretary for church affairs in this more than difficult situation could therefore also be a signal by the SED leadership that it is seeking a way out of the muddled situation. In the long run, at any rate, it can have no interest in a conflict with the church.

9746

West German Periodical Comments on Recent Church Conferences
23000160 West Berlin KIRCHE IM SOZIALISMUS in German No 4, Aug 88 pp 129-130

[Article by Hans-Juergen Roeder: "Openness Was the Priority at the Church Conferences"]

[Text] Those responsible for the church conference in Halle on the last weekend in June could not have done it

better: to open the conference, they had issued an invitation to an event in the evening at the massive Market Church in that city, to be followed by a "pilgrimage" in a long procession to the neighboring George Church. The fact that almost half the 2,000 participants "fell by the wayside" was primarily due to faulty planning, but the entire event was as symbolic of the situation of the Protestant Church in the GDR as is the recent history of the George Church, once the largest church in Halle with room for some 3,000 people.

Built in the 18th century, the building was actually supposed to have been torn down 3 years ago. Dry rot and woodworms had already caused it to be condemned in 1964. Since then the church had deteriorated visibly, holes had opened in the roof and windows, rot had set in. And anything movable that was still usable had long since been transferred to the neighboring parish rooms.

For all that, destruction seemed inevitable, 3 years ago only 30 determined young people decided to save the 18th century building, largely by their own efforts and insofar as possible only with money from gifts. Since then they have come together every Saturday to carry off the debris of decades and to make the repairs that need to be done immediately.

However, the goal of this effort, which will take at least another 5 years, is not to restore the church to its former glory. Rather, the plan is to create a plain communication and meeting center, one appropriate to the changed circumstances of the church in the GDR: the mass church which still existed when the George Church was condemned and which some church construction plans still imply has long since disappeared. The Protestant Churches, to which the overwhelming majority of people in the GDR belonged up until a few decades ago, have become a minority. All the more significant, then, are the occasional major events that allow the now small and isolated congregations to feel a sense of community with those sharing their belief.

At any rate, it is something special to experience that sense of community at a church conference in the GDR. Also of increasing importance, though, are personal discussions and comparing experiences in small, intimate groups on life questions that have long become survival questions. Thus for years now GDR church conferences have always included discussion and working groups on different aspects of a common theme.

This year's series of four regional church conferences on June weekends in Goerlitz, Erfurt, Rostock, and Halle was entirely in line with this development. At all four meetings there was a desire for small-group discussion and encounters, as well as for the sense of the larger community. And as at the church conferences in Luther Year 1983 or at last year's meeting in East Berlin, people spoke out for world justice, peace, and the environment, as well as on the special problems faced by Christians and non-Christians in the GDR.

At any rate there was no lack of material for discussion. Topics ranged from conflicts within the family and at work to the energy problem and from the extensive militarization of society to experiences with neofascist skinheads in the GDR. Not discussed, however, were recent events in East Berlin: the action taken by the state against the Zion Congregation's environmental library, the arrests at the Luxemburg/Liebkecht demonstration, and the massive police monitoring of churchgoers at the Sophia Church.

Still, the conference organizers did have conflicts and disputes with state authorities. Problems ranged from difficulties obtaining permission to use public areas, to complaints about certain events, to delays in obtaining official permission to print posters and programs, to the generally last-minute approval of ecumenical guests' requests to enter the GDR.

The experiences of those responsible for the church conferences were by no means uniform. Whereas in Goerlitz they were able to post conference symbols and the motto "Changing your ways helps you live" even in the pedestrian zone in the center of the city, in the other cities they were generally allowed to post material only on church-owned buildings—apart from paid postings on advertising columns, and even that was not permitted in Halle.

In Erfurt there was the additional particular problem that local SED party leaders had gotten the idea of having their own people attend the politically "explosive" conference events—particularly the lectures and panel discussions with SPD politicians Egon Bahr and Erhard Eppler and with philosopher and nuclear physicist Carl-Friedrich von Weizsaecker. More than 6,000 workers from the biggest Erfurt enterprises are said to have been issued "party instructions" to attend in order to prevent something that neither was planned nor actually occurred: demonstrations in front of Western cameras and microphones by conference participants wishing to leave the GDR.

Nor did the problems of GDR citizens wishing to emigrate become the dominant topic at the other conferences; in the numerous discussion groups and in the panel discussions that was just one of many topics. Even in Goerlitz the fifty or so "applicants" who had come from East Berlin did not take over the conference; at most, they added to it with their questions and problems.

However, they were given no special treatment. Consider the question posed to them at the very start of the Goerlitz conference by Zittau Superintendent Dietrich Mendt: Why were material things often the decisive element in their decision, rather than the people they were leaving behind and the human relationships they were abandoning? On the other hand, at all four conferences recent German history and Germans' relationship to their Jewish fellow citizens and to the state of Israel were the subject of considerable interest. In Goerlitz

there were two special events in this connection: Work was done on the former synagogue, which though only slightly damaged in the pogrom night of 9 Nov 1938, has since been abandoned, and a bronze bell was presented for Majdanek, the former concentration and death camp in Poland. And in Erfurt there was the exhibition "The Search for Traces," on the experiences and results of young people's search in recent months for traces of the Jewish past in western Thuringia. New for GDR church conferences were the special events on women's view of themselves and women's identity; examples were the women's forum in Erfurt's Augustinian monastery and the women's day in Halle. Also unusual was the fact that many participants—over 70,000 shared in the open-air closing events at the four conferences—came not with their congregation but on their own.

On the other hand, participation by young people in conference events was noticeable less than in the past, although where they presented their own interests and initiatives, their socio-political commitment was always impressive. In contrast to earlier conferences, this year for the first time there were also initiatives on local problems: rehabilitating the old city in Goerlitz and Erfurt, for example, and the aforementioned plans by young people to save the George Church in Halle.

"Changing our ways we go ahead" was the deeply profound motto of the conferences in Erfurt and Halle. But in Goerlitz and Rostock too the demand for social reform could not be ignored. "It's impossible without perestroika—and that includes the GDR," was the succinct formula expressed by East Berlin Consistory President Manfred Stolpe in Halle. And in Rostock the Marxist social scientist, Olof Klohr, confirmed that the Socialist states—from China to Vietnam to the GDR—are currently caught up in a process of fundamental change, one that is the subject of sharp dispute within the SED as well.

What that means in concrete terms for GDR society was nowhere expressed so vividly and concisely as in the 20 theses that a preparatory group from Luther's Wittenberg brought to Halle. "Because we as Christians in the freedom and bonds of faith consider ourselves to share the responsibility and thus also the blame for what is happening in our country, we believe it necessary and proper to overcome our fear, our mistrust, and our lack of expectations, to see and seize the chance for change, and to win the frankness to press in critical solidarity for the reform of our society," said the paper, which pointed out many places where social change is needed in the GDR. (Cf. following documentation [not translated])

At the church conferences there were repeated calls for open, fearless discussion in society as the precondition for all other steps. Necessary for such discussion are democratic rights to speak up and share in decisionmaking, which must be legally enforceable if necessary. A document made available at the Goerlitz conference stated that the nature of society must be determined in

free and public dialogue and no longer "in an authoritarian-ideological and administrative manner" from above. To the extent that it is possible in this way to eliminate barriers within society, the wall between the two German states will become superfluous and can be replaced by a border which, in the words of SED leader Erich Honecker, "connects more than it divides." (Cf. documentation, p 131 [not translated])

That document, which was directed to Christians and their congregational representatives in the GDR but which did not attract much attention at the Goerlitz conference itself, was prepared by the Church in Solidarity Working Group and the "Denial of the Principle and Practice of Barrier-Building" Initiative. Their paper complains bitterly that "public speech" has become an instrument for tabooing the pressing problems of society.

In raising such issues the church conferences did not endear themselves to the SED leadership, however. Just the massive recent interference in the work of the church-owned weekly newspapers—to some extent during the conferences themselves and to a larger extent because of the reporting on them—has made it quite clear what the SED thinks of more openness in social dialogue. And the fact that only at the Rostock conference was it possible to engage in a dialogue with Marxist scholars as well, not only gave the lie to the SED's often proclaimed willingness to engage in discussion but confirmed once again how necessary the demand for more openness in social dialogue is.

12593

HUNGARY

Travel Regulations to USSR 'Eased'

25000239b Budapest MAGYAR HIRLAP in Hungarian
7 Jul 88 p 4

[Article by Szalay: "Travel Regulations Between Hungary, USSR Eased"]

[Text] The protocol that Gyula Horn, state secretary of the [Hungarian] Ministry of Foreign Affairs, and Anatoliy Kovalev, the [Soviet] first deputy minister of foreign affairs, signed on 20 April on the occasion of Nikolay Ryzhkov's visit, eases travel regulations with regard to passport formalities and for nontourist travel. It serves to enhance the mutual waiving of visa requirements for Hungarian and Soviet citizens and also broadens the scope of consular services in the case of visitors with written invitations. At the Ministry of Foreign Affairs we asked Mrs Horvath, nee Dr Marta Feksz, the acting chief of the Visa and Passport Department within the Consular Affairs Main Department, to provide some details of how the travel regulations are being eased.

Among travelers from Hungary to the Soviet Union, the new regulations make things easier primarily for persons on official missions. This applies to the several thousand

persons who travel to the Soviet Union to work or study, and who up to now had their exit visas for official missions stamped in their regular passports.

The change for these travelers is that the Interior Ministry will no longer be issuing them exit visas for official missions, which up to now they were able to obtain through the police. In place of such an exit visa, the sending agency will now issue orders for travel and detached service. This will be a bilingual insert in the passport and will contain the traveler's personal data, the names of the sending Hungarian agency, the receiving Soviet agency, and the mission's expected duration. On its basis, the Soviet administration for visa matters and the registration of foreigners (UVIR) will register the traveler for the duration shown in his or her orders for travel and detached service. During this period, the registered traveler will be able to leave and reenter the Soviet Union without having to report again to the police. Similarly, family members accompanying the traveler on an official mission will also be issued orders for travel and detached service. If they intend to stay for the entire duration of the official mission, they too will be registered for the same period of time and will be able to freely leave and reenter the Soviet Union thereafter.

Henceforth a Hungarian citizen on an official mission in the Soviet Union will be able to send friends in Hungary written invitations for a visit not only through the UVIR, but through a Hungarian consulate as well. (Only persons holding service passports had this privilege up to now.) The Hungarian consulates certify the written invitations. Naturally, it is the host's responsibility to provide accommodations and meals for his guests.

The situation of Hungarian private citizens visiting the Soviet Union on a written invitation from a Soviet citizen has been eased by the abolition of the practice that restricted the circle of Hungarian relatives and friends a Soviet citizen could invite, and on the frequency of such invitations. Now a Soviet citizen may send written invitations to anyone in Hungary, and to as many persons as he wishes. Moreover, if someone has to go to the Soviet Union urgently—to attend a funeral, for example—the Soviet diplomatic missions in Hungary (the embassy in Budapest, or the consulate general in Debrecen) have the authority to issue him or her a visitor's visa.

Another easing of the regulations is that if a Hungarian citizen's Soviet spouse lives in a restricted area, which the couple want to visit jointly, the Soviet diplomatic missions in Hungary may issue the Hungarian spouse a permit to enter the restricted area.

Travel to the Soviet Union for recreation or medical treatment has likewise been simplified. Henceforth permission from the ministry will not be required. A referral and the chosen institution's confirmation that it is willing to admit the visa applicant will suffice. A passport, of course, will still be required.

The new regulations contain provisions also for visiting graves. In such cases, the International Red Cross or a local administrative agency must certify that the grave to be visited exists.

The easing of regulations outlined above applies also to Soviet citizens in Hungary. A change for them in comparison with the situation earlier stems from the modification last October of the regulations governing the registration of foreigners: citizens of socialist countries may stay in Hungary for up to 90 days (as compared with 30 days earlier) without having to register.

Finally, a bit of advice for tourists: It is not advisable to attempt to cross the border without documentary proof that the visitor will be received. Organized tours, written invitations, or confirmed reservations will remain the modes of individual travel until the Soviet tourist industry's infrastructure will have been developed.

1014

Grosz Christening, U.S. Trip, Straub 'Election' Satirized in Humor Weekly
25000251b Budapest LUDAS MATYI in Hungarian
27 Jul 88 p 7

[Article by Laszlo Majlath: "Visitors From the Old Country"]

[Text]

'Elected' in Absentia

The two children in the nicely furnished New York apartment are watching TV. This is when Jimmy, the invincible little boy armed with a fantastic laser pistol, is fighting space monsters on Channel 76.

"Hello, kids. Imagine, your grandfather from Budapest will be arriving tomorrow," says the elegant mother as she enters the living room. She sinks tiredly into an armchair. Her work of teaching in medical school has been exhausting.

"Hurrah," yelled the kids. "Will he be bringing us some new Hungarian game? Mr Rubik has probably invented something."

"I am not certain about that," the mother quieted them. "But I will tell you a secret. While your grandfather is staying with us, he will be elected president of the Presidential Council in Hungary. You will have to congratulate him."

"And what is that?" asked the kids while switching channels.

"That is a great honor. In Hungary your grandfather will be what Reagan is here—president."

"And is it certain that he will be elected?"

"Nothing is certain in this life, but we hope so."

"Mom, will they show the election on TV?"

"I don't think so. But we probably will get a phone call from Budapest to inform us about the situation. Imagine, your grandfather will be having breakfast with us here in New York while parliament elects him at home."

"If he really wins, we will smother him with hugs and kisses," yelled the kids. "And we will tell about it in school. How the others will envy us. Up to now only Tommy's dad has been president—of the golf club. And now our grandfather will be president in Hungary. Hurrah!"

Grosz Christening, U.S. Trip

At about the same time there was great rejoicing also on the other coast of the United States, in Santa Monica, California. Three Hungarian ladies, each of them about 80, were having tea in the air-conditioned living room. Occasionally they also nibbled on some fancy biscuits.



"I never expected to see this Charlie boy again in my life. It was back in 1936 that I emigrated. He was only 6 then, a lovely tyke, but sharp as a needle even then," said one of the gray-haired ladies.

"Who exactly is this Charlie to you?" asked the matron in the rose dress, and then bit into a cookie filled with hazel cream.

"The son of my dear sister. In other words, my nephew. But I am also his godmother. I stood for him at his baptism. And I remember how vigorously he was kicking when the priest poured holy water on him."

"Well, that must have been fairly long ago," said the matron. "And when exactly will this Charlie be arriving?"

"To my knowledge, he first has to go to Chicago on business. And then my dear nephew is coming to California. And do you know where he will be going from here?"

"To Florida for a vacation?" asked the matron in the rose dress.

"To Disneyland! That is what every Hungarian wants to see," claimed the third elderly lady, the one wearing a polka-dot blouse.

"You are wrong," revealed the aunt. "My dear Charlie will go to New York and Washington. He will be received by President Reagan, Vice President Bush, senators, congressmen, bankers, and businessmen."

"Now I am really curious about this Charlie. What is his last name?"

"Grosz!"

1014

Debate Needed To Improve Trade Union Activity
25000228 Budapest NEPSZABADSAG in Hungarian
9 Jul 88 p 1

[Editorial by Andras Szigethy: "Interests—Trade Union—Society"]

[Text] Prices are rising, living costs are on the increase, workplaces become insecure. Under such circumstances public opinion demands to know with increasing apprehension where their interests appear, and who represents in what manner those interests. It would be hard to dispute that the trade union movement has failed to answer many questions. From among the reasons—just why this happened—we should mention first that in the midst of functional disturbances experienced by the economic and political institutional system, the trade union did not, and could not play the role its members expected it would. The functions and opportunities available to trade unions can be examined only in the context of the entire society. This is so, because the tasks of, and things to be done by the party and the government respectively frequently overlapped, and institutions lacking independent conceptions and a real sphere to act were looking for admonition and direction from the top. Thus an overlap of trade union functions and state functions was unavoidable.

Related to all this there are the internal weaknesses of union work. By now it has become almost obligatory to mention that the union apparatus became bureaucratized, and that in many instances officials responded more to an official obligation which built itself in a hierarchic manner, rather than to the true requirements of a movement. All this, however, is a true to life copy of the operational mechanism of the sociopolitical institutional system.

Accordingly, whenever we say that there is a need for a turnaround in trade union work, we are also saying that other types of conditions must evolve and function

among the most important institutional actors of the decision making mechanism. And we are also saying that the union itself must undergo change in this process.

The union embraces those four million people who are the soul of economic and social life. For the union to perform its part in the exercise of societal control represents mutual interest. Particularly important is this role under our circumstances, in which we must realize in practice the principles of democratism and pluralism day after day. The strengthening of union independence is a societal requirement also from this standpoint, according to a statement contained in a proposal submitted to the National Council of Trade Unions [SZOT] plenary session yesterday, concerning the renewal of union activities. This requirement "assumes a clear delineation of the functions of the party, of state and social organs, and of organizations and movements, the closing of gaps in legal provisions, and the substantive participation of trade unions in the framing of laws."

The union movement must present itself to the broadest possible public with clear, commonly understandable programs—or, if you wish: the union should take part in the political process. The movement should win mass support for its conceptions which bear the peculiar features of its profile. Only this way can one envision that the union will be capable of renewing its character of a movement on the one hand, and only this way can the union fulfill its role of accurately signaling places where tension has evolved, and to develop recommendations for resolution on the basis of such tensions, on the other.

The way in which the upper level leadership of the trade union movement has pledged its support to wage reform represents significant progress in this area. The union leadership stressed that wage reform cannot be delayed, and that one cannot wait for wage reform because it will become a reality only if sufficient funds are available to provide a general wage increase. Wage reform is needed to bring about conditions which help and stimulate the income producing capacity and the expansion of resources. The union leadership also declared that it supports the application of such wage system and wage policies which ensure the increase of real wages and the establishment of more equitable earnings ratios. Quite a few times the union leadership strongly underscored its view according to which the separate regulation of earnings should be discontinued as soon as possible, and in its stead there should evolve an organized bargaining for wages—a system of wage agreements based on the reconciliation of interests.

It is likely that the union conception regarding wage reform is in perfect agreement with the views of those who make a living out of salaries and wages. According to this conception, income that can be earned within legal working hours must be sufficient to cover a person's living expenses at a level commensurate with the standards of the economy. Unions, however, are not merely a mass organization serving wage earners and salaried

workers. Changes in the economy and in property relations, the differentiated character of social stratification, the increasingly higher levels of occupational categories raise the question whether the existing framework of union organization suffices as a suitable form in the long term for those, who in one way or another wish to enforce their interests as employees against employers.

The situation is becoming increasingly complicated. Among the anticipated results of the law of association we find that beside state and cooperative economic units, employers as well as employees could emerge in a number of variations. One can hardly write prescriptions in advance, and one cannot make distributions in advance in hopes of finding an omnipotent remedy. The fact that the unity of the trade union movement rests in its colorful character, in its variety, in its liveliness and constant movement should serve only as a guiding principle.

Union debates of the recent past indicate that the need for organizing interest groups for the expression of interests and the more pronounced protection of interests on behalf of the most diverse trade groups and strata, is gaining strength. Employees are forced to organize in face of a deteriorating economic situation, and as a result of that, because of their concern for working and living conditions. They must organize because of the fact that the traditional "one plant, one union" formation—which represents the unity of the trade union movement only if it is incorrectly interpreted—is incapable of developing and presenting the pressing concerns. One cannot avoid asking the question of whether the groupings that are being formed or wish to establish themselves will integrate with the trade union movement, or if they will urge the establishment of a new trade union. In regards to this problem it appears that union leadership is not alone in being visibly uncertain.

Lessons learned from international experience indicate that wherever the trade union movement is not unified the positions adopted by employees become weaker. Needless to say, we are experiencing economic conditions which strongly suggest a need for the effective, unified representation of employee interests. This unity, however, can be only the unity of organizational forms chosen by virtue of the membership's will, one which becomes reality through some kind of a federated system. If the highest level of union leadership is capable of holding together this genuine movement, the movement has every chance to play a very important role on the increasingly colorful Hungarian political palette, primarily in the interest of its members, but also of in the interest of the greater community.

To accomplish this it would also be necessary for every political institutional actor to openly accept his role—one which cannot be confused with the role of someone else. From the union's standpoint this role represents conflict. Conflict flows from the very function of unions:

they help by openly (rather than behind the scenes) accepting the challenge of debating with government, by clashing union conceptions with those of the state, and by arguing and proposing. And if, perhaps, in some battles the union loses, it gathers new strength and new conceptions to fight once again.

One wonders, did we not take to long a detour before we reached our goal? A fitting analogy was told at a recent union conference: in geometry, the shortest distance between two points is a straight line. This thesis does not always hold true in society. The shortest road for society is the passable road.

Which road is passable may be determined easier by several persons having different vantage points, even if they argue about it.

12995

Pozsgay Receives West German Trade Union Chief

2500025 1a Budapest MAGYAR NEMZET in Hungarian 30 Jul 88 p 3

[Article by ZB: "Hungarian West German Trade Union Relations. We Are Talking Frankly With Each Other"]

[Text] On Friday morning [29 Jul 88] Imre Pozsgay, minister without portfolio, received in the Parliament Building the delegation of the German Trade Union Federation (DGB) that is visiting Hungary, on the invitation of the SZOT [National Council of Trade Unions]. (The DGB integrates 7.8 million workers.) Sandor Nagy, the secretary general of the SZOT, and Dr Hans Alfred Steger, the FRG ambassador in Budapest, were present at the talks. The members of the delegation then met with representatives of the press.

Ernst Breit, the DGB president, emphasized at the press conference that they were not visiting Hungary unexpectedly, at a special time and for a special reason. Rather, the present talks, in which the two sides exchanged views on questions of mutual interest, belonged in the series of regular contacts. What made the present talks special was that now, after the May party conference which received wide coverage also in the West German press, they were able to gain first-hand information, on the spot and in sufficient depth, about the plans for consolidation and reform.

The DGB president said that there were over 2.5 million unemployed in the FRG. In the struggle to reduce unemployment, the DGB was urging job-creating investments to protect the environment, save energy, improve housing conditions, and develop mass transport; also a further shortening of the work week, and the lowering of retirement age. What they wanted to achieve was to make sure that the necessary, continuous modernization

of technology did not take place at the expense of the workers, without the trade unions' control. After all, every modernization has also its social aspects.

"We are maintaining definitely good relations with the SZOT," the president declared. "We discuss every question frankly and openly, and we regularly exchange views. Despite the different social systems of our countries, there is much that we can use from each other's experience. Just as in the FRG, also in Hungary attention is focusing increasingly on the question of how the trade unions can help create new jobs. Also in Hungary, moreover, wage arbitration will be playing an important role in influencing the development of the workers' living standard. It is the task of the trade unions to formulate the interests of their membership so that they are clear and readily understandable to everyone, and then to transmit these interests to the decisionmakers."

The DGB delegation left Budapest on Friday. Sandor Nagy, the SZOT secretary general, saw them off at Ferihegy Airport.

1014

Millionaire Emigre Philanthropist Interviewed
25000243 Budapest KRITIKA in Hungarian
No 7, Jul 88 pp 14-15

[Interview with businessman George Soros by Ibolya M. Gubas: "A Millionaire Can Be a Thinker, Too"; date and place not given]

[Text] "George Soros, a businessman living in America, created a fund to make it possible for Hungarian researchers—scientific, cultural and economic experts and student—to participate in international events and to go on study-related trips. The fund can also be used to buy patents and instruments for Hungarian institutions. A committee chaired by George Soros and Kalman Kulcsar, the deputy chief secretary of the MTA (Hungarian Academy of Sciences) decides about grants."

The Hungarian press gives detailed information about who receives the "blessings" of the Soros Fund every year. Much less can be heard about who George Soros, one of the richest people in the world, is.

[Question] You speak Hungarian surprisingly well, though you left the country quite young.

[Answer] Now that I come home more frequently it is better. When I am here I speak Hungarian.

[Question] How did you achieve your accomplishments—you have had fantastic successes?

[Answer] Well, to be successful is a pleasant surprise because I was not for most of my life. It is relatively new

for me. I founded my company in 1969. The turning point came 10 years later. I had had successes in earlier years but people had not known about them. In 1979 I decided that I would not deny them. I admit I needed almost 10 years to actually become successful.

[Question] Where did you inherit your financial sensitivity from?

[Answer] Not from my family, but my parents' character was important for me. My father was quite a unique man in his own way. He was neither a famous nor successful lawyer. In World War I he became a prisoner of war; he escaped to Siberia, that's where he lived through the revolution, too. He came home in 1921, 4 years later. His philosophy of life had changed; before he left he had been an ambitious young man, then he realized that survival is the most important thing. He did not want to obtain a fortune just to live. He had a very strong, independent set of values. He had a great influence on me. Then came World War II, which we lived through with false papers. This was my father's heroic period—I was 14 years old—he saved not only the family but several dozen other people as well. He understood what it was all about, and he knew that those who believed in the power of that legal system—and believed that people could trust the authorities if they followed the rules—were wrong. You have to live through things by your own beliefs and you shouldn't deceive yourself. This period was very important in my life. As World War I was the turning point in my father's life, 1944 was the same for me. I was 17 years old when I "went out into the world" in 1947. I lived in England until 1956. I arrived without money and connections, and as other Hungarian youth, I believed that I was important. It was a lonely period, a difficult time; it was hard to grow out of it. I started from very low and very slowly.

I went to America at 26 and became a stockbroker. I had a successful period between 1959 and 1963, so I acquired some fame. In the following 3 years, however, this was not the focus of my interest—although I had a job—because I was involved in philosophy. So, I had not enjoyed great financial success before I founded my company.

[Question] What type of a company is that?

[Answer] It is a stock brokerage firm where I invest my and other people's money. I get a share of the profits. I started 19 years ago with \$4 million that has now grown to approximately \$2 billion.

[Question] That \$4 million had to be earned somewhere, too...

[Answer] That was not my money. When I started, I owned only, let's say, \$100,000 of the \$4 million.

[Question] Do you have a talent for money? Do you have to be born for that?

[Answer] Some talent is certainly needed for it. You can rationalize it and explain it this or that way, but there are those who have a talent for it and there are those who don't, this is beyond doubt. I have just hired a 24-year old boy, he earned \$300 million for his company last year. He was fired, too; it was too much. He, for example, definitely has the talent for this work.

[Question] Recently there has been a bond market in Hungary, too. What is your opinion about this?

[Answer] It is still very rudimentary.

[Question] You had to have enormous willpower and determination to reach such achievements. Did you orient yourself primarily towards finance?

[Answer] Money did not attract me. If it attracted me so much I would not distribute it now.

I felt I was a philosopher, I spent 3 years from 1963 trying to crystallize my philosophy: unsuccessfully. My thinking is very abstract, if I did not connect to reality I would get lost in the world of thoughts. That's why I was lucky to get into this profession, since at the stock exchange truth is formed by hope and fear. Here I could develop a relationship between thought and reality, my philosophy is about this. I call this reflexivity that also means uncertainty, because neither reality nor thought can be fixed since both depend on each other. This is a two-way, dialectic relationship. This is my theory and this is the stock exchange. I also wrote a book about this.

[Question] Would you expand on the essence of your theory?

[Answer] Participants do not make their decisions on the basis of objective facts because what happens, what events will take place depends on what they think. Participants have to act based on misjudgments because they use their judgment which does not coincide with reality. Reality changes according to how people act. If they do not operate on the basis of objectivity then their judgment and reality have to differ and this difference will change reality. This way, the misjudgment of participants is an important moving force in history. It is interesting that people usually ignore this fact that misjudgment is the moving force of history. This fact is also always omitted from economics. This is a natural thing only for me, scientific thinking denies it. It is missing from the science of the stock exchange, too, although now they are beginning to realize it; it is not a novelty any more.

[Question] The average man thinks that the rich are reserved, haughty, and inaccessible. Conversely, you are simple and informal.

[Answer] For the most part of my life I was a simple, everyday man; nobody cared for me. Nevertheless, I

went through periods when glory went to my head. This is inevitable.

[Question] You have become involved in politics, too.

[Answer] Yes. Success creates this possibility. I do not need it in the business, but I am interested in it. There are people who enjoy counting or showing off their money. [Question] You have undertaken the role of being a bridge between East and West, which, I think, was looked upon with suspicion by both sides in the beginning.

[Answer] Certainly, but I like "a little suspicion."

[Question] Wasn't it unpleasant?

[Answer] No. Not for me. I am where I am accepted, where I am needed. For example, 5 years ago it would not have occurred to me—and it would not have been allowed—to establish a fund in the Soviet Union. I say frankly what my goals are, what I try to accomplish... I would like to contribute to the development of society.

[Question] What about here, in Hungary?

[Answer] I think I have contributed.

[Question] It seems that those who receive the grants of the Soros Fund are mostly those who, in some form, think differently. Is this intentional?

[Answer] I also think differently, I am the apostle of this. I tried to think differently at the Stock Exchange, too, that's how I got my money. There is not just one solution to problems, there are differences in ideas, that's why I cherish critical thinking. I do not interpret different thinking politically but as a way of thinking. This is an organical part of my philosophy. As soon as you accept that something is as sacred as the Scriptures, you know that you have accepted something false, that you are making a mistake. If you meant this with your question I do not regard this as critique but as praise. I abstain from political interference in Hungary because I do not feel that I have the right to do so. I support versatility and, it seems, it is accepted.

[Question] How were you able to carry through your idea to create a fund first in Hungary among the socialist countries?

[Answer] Certainly there were reservations, there was a great deal of suspicion, I could say, on both sides. Nonetheless, we tried and I think we can all be satisfied now. I have been able to create the conditions for independent operation and the Hungarian authority has full insight and veto right, as well.

[Question] Do you have any feedback about the operation of the fund? Does it function well?

[Answer] There have been and will always be difficulties. For example, when the HVG [Weekly World Economics]

was not allowed to publish the informative statement about the funds's operation. I could not accept that since it was against the contract. This was, however, only a misunderstanding and was soon clarified. With me behaving like an outsider and as such, not getting involved in politics, a *modus vivendi* has been formed that, I think, is satisfactory for both sides.

[Question] Do Hungarian economic experts seek your opinion?

[Answer] Yes, and I am ready to give it, often critically; but this is only my opinion, I do not take part in political life with this.

We are now establishing a managerial school. This is a more serious thing, it is beyond my means. We hope, however, that the World bank and many others will contribute. My participation in the initiative will probably help.

[Question] Your company has a diversified operation. Do you employ many people?

[Answer] No. I have 45 employees, but 3 years ago I had only about 15.

[Question] Who manages the funds?

[Answer] The Hungarian fund has its own organization, so do the Soviet and the Chinese. We will establish one in Poland, too.

I have another fund named "Open Society" managed by my wife, which operates all over the world. I am against the American policy in El Salvador and the Pinochet regime in Chile where I support the human rights group. I tried in South America, too, but whatever you would like to do is almost impossible. Circumstances in Hungary have become such that I have been able to achieve some results, that's why the money dedicated to the Hungarian fund has multiplied.

[Question] Do you enjoy popularity—that you are spoken about everywhere—or are your motives purely philanthropic, or is it something else that inspires you?

[Answer] Success is of primary importance for me. This is what I pursue at the Stock Exchange and with the funds, as well. I would rather avoid praise, praise does not give me the sensation of success. The important thing is that I feel successful internally, this means a great deal, I wouldn't do it otherwise. This also means that I care about some people's judgment, but the praise...

[Question] Didn't you even require it?

[Answer] Well, let's be candid. There is a certain trend in this: the authorities instructed the press not to overpublicize Soros, but it fits me just well.

One reason that I do not operate a fund in America like I do here is that I could not have a private life. Now, that it has taken on such "dimensions", the fund is making my stay here difficult. Being famous is not all beer and skittles.

13212

POLAND

Sejm Extraordinary Commission on People's Councils Roles, Financing
26000588c Warsaw ZYCIE WARSZAWY in Polish
8 Jun 88 p 2

[Article by Wojciech Kazmierczak: "Strengthening the Rights of the People's Councils"]

[Text] The work of updating the law regulations connected with people's councils and territorial self-rule is coming to an end. A few days ago the Extraordinary Sejm Commission accepted the projects for changes. At an upcoming meeting of the Sejm debate is expected on this subject. What are the ideas in updating the legal regulations which regulate the activities of people's councils, how will this be expressed in concrete solutions—these are the questions which were taken by a PAP [Polish Press Agency] journalist to the leader of the Extraordinary Commission at the National Council Wladyslaw Jonkisz.

"The commission has taken up the task," said W. Jonkisz, "to find additional methods for strengthening the role and rights of the people's councils in relation to the proposals presented by the National Council and the Council of Ministers. This is why, for example, we have decided that the the enigmatic proposal for an amendment in the constitution which concerns the status of communal property be abandoned and a statement substituted which leaves no doubt as to the fact that it has to do with the matter of ownership by a self-rule group and the councils linked to this right. We have proposed that the following statement be incorporated into the constitution: 'National councils, on the basis of regulations, have the right to administer communal property which belongs to the territorial self-rule group'."

[Question] But it states "on the basis of regulations". Well, what about the regulation about communal property? The journalists from the weekly RADA NARODOWA have already worked out a project for it...

[Answer] The Extraordinary Commission has proposed that the Sejm take up the resolution which obligates the government to work out a project for a law which concerns communal property on a schedule which would allow it to come into being together with the updated regulations for the system of national councils and territorial self-governments. The deadline is 1 January 1989. But the work has already started. As for the

proposals worked out by the team at RADA NARODOWA, I think that this is very valuable, and interesting in many ways. For example, it calls attention to specifying the elements which can be considered as communal property, and the methods for administering communal property.

[Question] The second proposal by the Government Council concerns changes in the constitution which would confer immunity on the council members. The Extraordinary Commission has rejected...

[Answer] Yes, according to the almost universal request of society. Opposition to giving the nearly 110,000 council members immunity, in the manner of representatives, was registered by, among others, the Sejm Socio-Economic Council, the Sejm advisory team, and the council members. Instead we have proposed the expansion of the legal protection for the council members, as connected to his work relationship. Without the consent of the presidium of the appropriate national council a member could not be fired from work. This particular type of legal protection would apply for the duration of one year after the member had concluded his term of office.

[Question] What other substantial changes will be proposed by the commission?

[Answer] First, before all, they will concern the strengthening of the financial base for activities by the national councils, a question which aroused dissatisfaction during the term. We have accepted that the councils, as territorial governmental organs have influence on all subjects which administer in a given area, but as organs of the territorial self-government conduct independent economic activities by administering communal property and participate in the civil-legal process on the principles defined for legal entities. In the financial regulations an innovation is the ability of the national councils to obtain credit from the bank to realize its tasks. The income for territorial budgets, if approved by the Sejm, will be, along with the existing sources, apportionments ranging from 5 to 10 percent of tax income receipts coming from the central government enterprises.

We are proposing a significant strengthening of the position of the national councils in relation to the administration. The commission has spoken in favor of having the voivode selected or recalled by the voivodship national council in a secret election. A secret election would be used for choosing or recalling the president and chief in a national council of the basic level. We have decided not to associate ourselves with the matter of executing the annual plan and budget or approval of the annual report. The national council, after considering the reports from the execution of the plan and budget will make motions on the matter of their acceptance, and then in a secret vote, will approve or disapprove the chief's voivodship annual report. The disapproval of the report is equal to the recall of a territorial administrative organ, with general powers, from its post.

All these propositions will be considered by the Sejm in its next session. If they are accepted then it may be said that instruments permitting the councils true administration on their own territories have been created. The effects of their use will be decided by the council members themselves. I trust that the council members whom we will elect on 19 Jun will be able to make use of these new legal regulations.

12411

NOWE DROGI Seminar on Socialist Pluralism
26000588b Warsaw *RZECZPOSPOLITA* in Polish
9 Jun 88 p 2

[Article: "NOWE DROGI Seminar"]

[Text] According to the plan of preparations at the Third All-Poland Theoretical-Ideological Conference held on 8 June a seminar entitled "Socialist Pluralism and National Understanding" took place. It was organized by the editorial staff of NOWE DROGI working with the Ideological Department of KC PZPR.

Participants in the deliberations were political activists and scholars representing the PZPR and allied organizations the ZSL [United Peasant Party] and SD [Democratic Party], and representatives from outside the Marxist community.

The deliberations were led by Wladyslaw Markiewicz and Bronislaw Ratus and were opened by the chief editor of NOWE DROGI Jozef Barecki. The discussions were started with a speech by Prof Mariusz Gulczynski. Among those taking the podium were: Anna Przecawska, Grzegorz Bialkowski, Andrzej Tymowski, Tomasz Bartoszewicz, Karol Janowski, Janusz Kuczynski, Mieczyslaw Krajewski, Jerzy Muszynski, Slawomir Wiatr, Leon Brodowski, Andrzej Gzegoczyk, Jerzy Kowalski Kazimierz Doktor.

12411

Army Control-Auditing Commission Reviews PZPR Activities, Success
26000589c Warsaw *ZOLNIERZ WOLNOSCI* in Polish
30 Jun 99 pp 1, 5

[Article by Z.L. "New Times—New Assignments"]

[Text] The working out of concrete conclusions and tasks which resulted from the course and resolutions of the 7th Plenum KC PZPR, serves to further improve the activities in control-auditing, adherence to regulations, and preventive. These were the main subjects of a Control-Auditing Commission WP [Polish Army] which took place on 29 Jun under the leadership of Gen. Bde. Henryk Kondas.

Attention was especially given to problems which decide the quality and effectiveness of party activity. The activities of the KKR [Control-Auditing Commission] at all levels support this, contribute to the strengthening of the authority of the entire party, individual units and echelons. The achievement of effectiveness in party activity, which includes the KKR, is influenced by organization and the quality of the control work, adherence to regulations, and preventative-instruction. The assistance in this activity by party echelons and POP [Basic Party Organization] is more significant in that the major part of the KKR leaders are persons who fulfill social functions.

This new time, a time for a renewal of socio-economic life requires, it was stressed, a breaking with stereotypes in thought and deed. We must break with some habits and routines we have practised up till now, with all of that which is an impediment to effective party activity, the effective realization of the resolutions. It is most important to promote those things which are new, unconventional, and which most of all, assure the effective action of the party on the orientation and behavior of people.

The search and use of modern, appropriate forms and methods of work which answer actual needs of work must be the principle. A principle based on the exchange of positive experiences, the rapid introduction of efficient party work solutions, on the effective countering of negative phenomena in the orientation and behavior of party members.

Activity at all levels of the KKR is directed toward definitively preventing and fighting appearances of arrogance and unfeeling in the treatment of human problems. The correct processing of complaints, requests, and comments, brought in by party and non-party members, definitely helps in the shaping of moods, opinions, and judgments about the party.

Examples of good and model party activity in the POP, at the echelons, and also in the KKR, are not lacking. We have called upon them. The major part of basic party organizations and committees is properly implementing party resolutions, effectively working on the problems in their communities, is active in its ranks. The KKR at all levels is devoting a lot of attention toward perfecting its activities, especially the preventative-instruction activities.

During the meeting members of the KKR WP became familiar with information about the control activities during the first half of 1988 and with the current realization of resolutions from the 4th KC PZPR Plenum. Suggestions for further work were also accepted.

12411

OPZZ Calls for Recalling Job Certification Process

26000589a Warsaw RZECZPOSPOLITA in Polish
30 Jun 88 p 7

[Article by CZ: "Economic Compulsion Instead of Certification?"]

[Text] (Own Information) The evaluation of the conduct of the structural examination and certification for job positions in government enterprises was presented to the Sejm Commission for Social Policy, Health, and Physical Culture by deputy minister for social work and policy, Wieslaw Jasinski. It certifies that perceptions are backed with facts. In 1986 only explanatory and organizational work took place. Job certification started in the second half of 1987, but not at full level. Only in 1988 did the job certification work reach its full intensity. But this was written into the programs.

During the discussion there was a search for the negligible effect of the job certification process. It was said that the enterprises are treating the Ministers' Council resolution in a formal way as one of many commands, without feeling any need for rationalizing employment and organizational structures. The opinion was voiced, by the representative of the OPZZ [All-Poland Trade Union Understanding], that the certification should be withdrawn and instead introduce conditions for economic activity, a kind of economic compulsion. Administrative directives may be circumvented, but not so economic directives.

During the session, the representatives did not come up with an opinion about a motion stated in this manner, but one will be worked out after the problem is analyzed. In the input from the Ministry for Social Work and Policy there was the conclusion that a condition for effective conduct of the review and job certification was the shaping, in the enterprises themselves, of the feeling that this is a substantial factor in improving economic results and pay situation for the employees. Activities should be parallel. On one side activities of changing the economic-financial system should create a compulsion, on the other the pressure to undertake real job certification and substantial help. From the discussion it is apparent, in the opinion of NIK [Supreme Chamber of Control], that the parent organs which are to provide this help are doing so at too low a level.

The following representatives took the podium: Zbigniew Gburek (SD) [Democratic Party], Elzbieta Struwe (PZPR), Stanislaw Dyrszka (ZSL) [United Peasant Party], Kazimierz Grzybowski (nonaligned), Wojciech Musial (ZSL), Jan Matusiak (PZPR).

12411

**Plant Social Welfare, Housing Funds Law
Appraised; Problems Seen**

26000589b Warsaw RZECZPOSPOLITA in Polish
30 Jun 88 p 7

[Article by CZ: "Enterprise Funds"]

[Text] After a year has passed an assesment was done on the realization of the law concerning the enterprise social and housing funds. From data supplied by the Ministry for Social Work and Policy, and the speech by vice minister Jerzy Szreter, it was the apparent reason for a prominent increase in enterprise contributions to activities in the social sphere. Contributions based on the average salary, not, as before, on the minimal salary, was the reason for a growth in the social fund from 52.1 billion zloty in 1986 to 92.1 billion in 1987, while the housing fund grew from 22.8 billion zloty to 42.9 billion zloty. Additional contribution for retirees, invalids, and those working under difficult conditions resulted in a sum of 17.2 billion zloty.

In many enterprises there was a high contribution based on profit (before taxation), which reached the sum of several thousand zloty per each employee. The rate of growth in social assistance (by 44 percent) was higher than that in living costs (about 25.8 percent). But already this year the principles for generating these funds were not passing the test under the conditions of rising inflation. A decision had to be made by the Ministers' Council about increasing these funds by 3,000 and 1,500 zloty per employee. In spite of enormous resources, the enterprises have difficulties in maintaining their contributions to the social funds at the past level because 70 percent of the money is used up in payment for vacations, camps for children and youth.

The representatives' conference addressed the egalitarian functions of both funds which are not standing up to the new situation. The enterprises have practically taken over the government's function in the social sphere, and one must consider if this model should be kept functioning under the harsh regulations of the economic reform when the best and most enterprising must be promoted. The rules used for distributing the social funds according to average income per person in a family are countermotivational. Another such factor is the limitation imposed by taxes on contribution from income when it exceeds 120 percent of the basic contribution. How this limitation works will be seen in the coming year.

In the expressed opinions, among other things, it was decided that there must be an increase in the basic contribution for retirees and pensioners, to uphold the true value of the funds by basing the contribution on salaries in the current, not the previous, year. The area of budgets must be regulated. It is limited by the resources of the funds since it brings no direct income. In the future we should drive for a situation in which the

enterprises have resources for social purposes, but to a greater extent these should be realized by the socialized units or the territorial social service.

During this part of the meeting the podium was taken by the representatives: Zbigniew Gburek (SD) [Democratic Party] who also led the deliberations, Wlodzimierz Koczur (PZPR), Barbara Majzel (PZPR), Stanislaw Paca (PZPR), Teresa Dobielinska-Eliaszweska (SD).

12411

Polish, GDR Historians Meet

26000589e Warsaw TRYBUNA LUDU in Polish
8 Jun 88 p 6

[Article: "A Session by Historians' Commissions From Poland and the GDR"]

[Text] "The Revolutionary Democrats in Poland and Germany and Their Cooperation on the Day of the Revolution in 1848 and 1849" was the theme of the session by historical commissions from Poland and GDR, which concluded its deliberations at the Polish Center for Culture and Information in Lipsk. The Polish delegation was headed by Professor Marian Biskup; the GDR delegation was headed by Helmut Bleiber.

12411

PRON Receives Association of Polish Authors

26000588a Warsaw RZECZPOSPOLITA in Polish
9 Jun 88 p 2

[Article: "Matters of the Polish Authors' Association"]

[Text] The leader of RK [Regional Committee] PRON [Patriotic Movement for National Rebirth] received the directors of the Association of Polish Authors [SAP] and their president Jerzy Wadowski.

The president spoke about the activities of the 1,600 member association in its 21 area chapters. It was stressed that the SAP activists, SAP being a PRON member organization, are researchers and promoters of every field of knowledge. This permits the maximum use of their intellectual potential for interdisciplinary presentation of problems in the reality of modern Polish civilization. This serves national rebirth and reconciliation, it serves the strengthening of the moral and patriotic base, and the development of culture and learning. Among the problems addressed by the directors of SAP there was the matter of the association not having a permanent meeting place; which makes the development of further activities difficult, if not impossible.

12411

Warsaw Theater Group in Lithuania
26000589d Warsaw TRYBUNA LUDU in Polish
8 Jun 88 p 6

[Article: "Artists From the Great Theater Finish Their Engagement in Lithuania"]

[Text] Artists from Warsaw's Great Theater have finished their performances in the capital city of Lithuania. Seven opera performances and evenings of ballet and symphonic music met with a favorable reception and played to an overfilled house. The public gave the performers a standing ovation and intoned "Sto Lat" [long live].

"We are delighted with the reception and the cordial atmosphere," said Deputy Minister for Culture Krystyna Marszalek-Mlynczyk. The artists from the Great Theater were received by the party and government leadership of the Lithuanian SRR [Soviet Socialist Republic]. Participating in the reception was the 1st Secretary of the Lithuanian KC KP [Communist Party], Ringaudas Songaila; the leader of the Presidium of the Highest Council in the Lithuanian SSR, Vytautas Astrauskas; and the Lithuanian Premier, Vytautas Sakalauskas. High regard was expressed for the Polish artists and their performance.

12411

ROMANIA

People's Councils Appointments in Braila, Covasna, Prahova, Salaj
27000116a Bucharest BULETINUL OFICIAL
in Romanian Part I No 30, 6 Jun 88 p 2

[Excerpts] On the basis of Article 97 of Law No 57/1968 on the organization and operation of the people's councils, the president of the Socialist Republic of Romania decrees:

Article 1—Comrade Mihalache Margean, director general of the General Directorate for Agriculture in Braila County, is appointed deputy chairman of the Executive Committee of the Braila County People's Council.

Article 2—Comrade Andrei Lorincz is appointed deputy chairman of the Executive Committee of the Covasna County People's Council.

Article 3—Comrade Serban-Dumitru Teodorescu is appointed deputy chairman of the Executive Committee of the Prahova County People's Council.

Article 4—Comrade Emilia Andrunache is appointed deputy chairman of the Executive Committee of the Salaj County People's Council.

Nicolae Ceausescu, president of the Socialist Republic of Romania
Bucharest, 4 June 1988
No 85

/9604

Personnel Changes in Ministry of Interior
27000116b Bucharest BULETINUL OFICIAL
in Romanian Part I No 32, 18 Jun 88 p 1

[Excerpts] The president of the Socialist Republic of Romania decrees:

Article 1—Comrade Romus Dima is relieved of his position as deputy minister of the interior.

Article 2—Comrade Maj Gen Gheorghe Dinescu is appointed deputy minister of the interior.

Article 3—Comrade Alecu Paraschiv is appointed state secretary in the Ministry of the Interior and secretary of the Political Council of the Ministry of the Interior.

Nicolae Ceausescu, president of the Socialist Republic of Romania
Bucharest, 4 June 1988
No 84

/9604

Governmental Appointments Announced
27000116d Bucharest BULETINUL OFICIAL
in Romanian Part I No 34, 25 Jun 88 p 3

[Excerpts] The President of the Socialist Republic of Romania decrees:

Article 1—Comrade Ioan Ungur is appointed minister of foreign trade and international economic cooperation.

Article 2—Comrade Alexander Necula is appointed minister state secretary in the Ministry of Foreign Trade and International Economic Cooperation and relieved of his position as deputy chairman of the National Council for Science and Technology.

Nicolae Ceausescu, president of the Socialist Republic of Romania
Bucharest, 22 June 1988
No 96

/9604

Igret Appointed People's Council Chief in Mures
27000116e Bucharest BULETINUL
OFICIAL in Romanian Part I No 38, 6 Jul 88 p 4

[Excerpts] On the basis of Article 97 of Law No 57/1968 on the organization and operation of the people's councils, the president of the Socialist Republic of Romania decrees:

Sole article—Comrade Viorel Igret is appointed chairman of the Executive Committee of the Mures County People's Council.

Nicolae Ceausescu, president of the Socialist Republic of Romania
Bucharest, 4 July 1988
No 103

/9604

People's Councils Appointments in Calarasi, Arad, Iasi

27000116f Bucharest BULETINUL OFICIAL
in Romanian Part I No 39, 9 Jul 88 p 1

[Excerpts] On the basis of Article 97 of Law No 57/1968 on the organization and operation of the people's councils, the president of the Socialist Republic of Romania decrees:

Article 1—Comrade Romus Dima is appointed first deputy chairman of the Executive Committee of the Calarasi County People's Council.

Article 2—Comrade Alecu Floares is appointed deputy chairman of the Executive Committee of the Arad County People's Council.

Article 3—Comrade Constantin Crihana is appointed deputy chairman of the Executive Committee of the Iasi County People's Council.

Nicolae Ceausescu, president of the Socialist Republic of Romania
Bucharest, 8 July 1988
No 106

/9604

Resolution on Teletype Connections Abrogated

27000116c Bucharest BULETINUL OFICIAL
in Romanian Part I No 34, 25 Jun 88 p 4

[Excerpts] The Council of Ministers of the Socialist Republic of Romania resolves:

Sole article—Council of Ministers Resolution No 1055 of 25 July 1960 on ensuring teletype connections with county newspapers is abrogated.

The Council of Ministers of the Socialist Republic of Romania
Prime Minister Constantin Dascalescu
Bucharest, 23 June 1988
No 106

/9604

Bucharest Daily Castigates Gasoline Hoarders

Speculation, Illicit Profits Drive Hoarders

27000117 Bucharest INFORMATIA
BUCURESTIULUI in Romanian 16 Jul 88 p 4

[Article by Val. Voiculescu, Liviu Nestor: "Firm Measures To Stop the Excessive Consumption of Gasoline!"]

[Excerpts] During the summer, highway traffic is heavier than in other periods of the year. But this fact should not result in gas lines at the PECO [Central for the Sale of Petroleum Products] stations in Bucharest because the stations have enough gasoline to cover consumption during the summer months.

Comrade Nicolae Apostol, deputy general director of the PECO Central, told us: "We have made available and are making available to the motorists of the Capital sufficient quantities of gasoline for normal consumption. For example, fuel deliveries in July have been larger than in the same period last year with the surplus completely covering the additional consumption as a result of an increase in the number of automobiles."

Then why have there been lines at the gas stations?

"Unfortunately, this is a result of the illegal behavior of some customers who have been buying 3-4 times (and even more) more gas than necessary for the normal use of their cars. The data supplied by our computer, which constantly monitors fuel purchases, are conclusive; there are a number of drivers who think that they are allowed to consume unlimited quantities of gasoline. This leads to artificial lines at the stations and takes gasoline away from other customers who know that they should buy normal supplies or even save gasoline. Our data show that less than one-quarter of the Bucharest car owners bought one-half the gasoline which was sold recently."

For example, the owner of the car with the registration number 18-B-2100 loves gasoline. He filled up his tank 15 times in 26 days, "collecting" 548 liters of gasoline. And here is an undesired "record": the owner of the car with the registration number 19-B-4090 "collected," in only 27 days, some 895 liters of gasoline, filling up 22 times! How can such behavior be justified, what is hidden behind such an "investment" (more than 8,000 lei a month), where did all the fuel go, enough fuel for a 9,000 km trip?

These are only a few of the persons responsible for the recent lines at the PECO stations whose greed and abuse strike at the interest of all of us. Unfortunately, hundreds of cases of hoarding have been reported to us. This attitude is all the more intolerable since we know that petroleum resources are not unlimited and we should act in all sectors, including the use of privately-owned vehicles, to use fuel as wisely as possible.

Then is "gas hoarding" merely a reflex of egoism and of stockpiling for the sake of stockpiling? Absolutely not. Most of the time, the purchasers of excessive amounts of gasoline, more than normal needs, are engaged—let us call a spade a spade—in speculation, seeking illicit profits. To eliminate excessive purchases of gasoline which, in most cases, hide speculation and dishonesty persons who think that they can get unlimited amounts of gasoline should know that when their monthly purchases are more than 150 liters, the militia will take away the person's driver's license and the registration of the automobile until all aspects have been explained.

The consequences of the practice of purchasing excessive supplies of gasoline are not limited to this offense alone. Frequently, "subscribers" at the PECO pumps sign in at their workplace and are paid for being there. The work collectives involved should intervene promptly, discussing such violations and firmly penalizing the truants and the violators of labor discipline.

Workers Leave Jobs To Buy Gas

27000117 Bucharest *INFORMATIA*
BUCURESTIULUI in Romanian 21 Jul 88 pp 1, 4

[Article by Val. Voiculescu, Liviu Nestor: "The Excessive Purchasing of Gasoline—A Practice That Conceals Speculation, Dishonesty, and Truancy"]

[Excerpts] There are sufficient arguments to prove that exaggerated purchases of gasoline are not prompted by real needs but by illicit motives behind which there are dishonest actions and speculation which are subject to penal law.

We should state that almost all those who seem to get along so well when they buy more gasoline than they need agree that it is not easy to explain how and when they could use it. This is the conclusion which can be drawn from the so-called "explanations" presented by some of the PECO station "subscribers" who were recently invited to the

headquarters of the Bucharest Militia to justify excessive purchases of fuel. For example: Gheorghe Ivan from Popesti-Leordeni Commune, the owner of a car with the registration number 9-B-17391, said: "I do not have a driver's license and I do not use the car much." "Then why did you buy, in 1 month 506 liters of gasoline, enough for a trip of about 6,000 km?" "I do not remember. Maybe my son drove the car." "What does your son do?" "He is doing his military service. Sometimes he comes home on leave." Obviously, such "reasons" do not convince anybody. The respective situations require the continuation of the investigations, more extensive studies, and the adoption of the most severe measures against those who stockpile gasoline for the purpose of speculation in accordance with the provisions of the law.

The practice of buying excessive supplies of gasoline has, as we have said, other harmful consequences. More than once, "subscribers" at the PECO pumps have been there at the expense of the state. More precisely, they are listed as present at work and are actually being paid for filling the tanks of the cars. Such intolerable violations should receive the proper response immediately in accordance with the norms of worker discipline. We were assured that the violations would be discussed by the collectives and that firm punishment would be meted out. Also, the procedure for granting leave from work will be analyzed for the purpose of eliminating all possibilities of wasting work time. These are measures which should be taken in all units because work time should be used for production and not for taking care of personal business.

The condemnable practice of buying excessive supplies of gasoline should be eradicated with all determination. Alongside the organs of public order, called upon to expose the anti-social actions hidden behind the phenomenon of "gas hoarding," the work collectives should intervene intransigently to prevent and combat oversupplying and unmeasured consumption—intolerable practices, contrary to the civic spirit and to the norms of socialist ethics and equity.

/9604

GERMAN DEMOCRATIC REPUBLIC

Civil Defense Efforts in Chemical Industry Cited
23000155 East Berlin SCHUETZEN UND HELFEN in German No 3, May 88 (signed to press 17 May 88) pp 2-3

[Article by Dr Guenter Wyschowski, minister for Chemical Industry: "Preventing Leaks of Toxic Substances"]

[Text] Precise compliance with technological discipline and order in the production process is an essential requirement for higher economic results. This was emphasized once again at the Fifth Conference of the Central Committee of the SED [Socialist Unity Party of Germany]. This is because the economic output increase, which is necessary to accomplish the primary mission, demands above all a continual and stable production process.

During the consultation with the first Kreis secretaries of the SED on 12 Feb 1988, SED Central Committee Secretary-General, Comrade Erich Honecker, stated the following on this occasion:

"I would like to attract attention to the fact that our national economic results were considerably impaired as a result of damages..., and, specifically, they involve both older and highly-modern production facilities...In each individual case, plant operating regulations and technological discipline were crudely violated. Subjective mistakes were the number one item for all of these causes."

This situation underscores the importance of the task of all managers in our industrial sector to implement existing laws, regulations, decrees, plant regulations, and instructions in close collaboration with the party organization and the labor union in each collective. Efforts are aimed at all management levels to increase the security of work and production and in an ever more effective fashion to ensure preventive protection of human lives and property against damage and disasters.

The more than 330,000 chemical industry workers are turning out more than 3,500 chemical products. During the substance-converting processes which are necessary for this purpose, several chemicals are used which reveal toxic properties. It is therefore very important to devote the utmost attention to the yield of these chemicals in the production process, as well as to its intermediate storage and reliable safekeeping. The important thing is to prevent leakages and eruptions of toxic substances because they constitute a great threat to man and the environment if they should possibly be released. From this angle, likewise, it is necessary to make sure that the systems will be maintained and operated in a trouble-free manner and in keeping with the specified operating procedures and systems. The following, therefore, demand a high degree of work and production safety:

- the political-ideological education of the managers and employees so that they will, without restriction,

discharge their personal responsibilities in the areas of order, safety, discipline, as well as health protection, work safety, and fire protection;

- the well-skilled employment and work-station-related advanced training of workers so that they will develop a mastery of the systems;
- the preservation of a high level of technical safety and output capacity of the production plants.

To meet these requirements, we, in the repair sector, are among other things trying very hard to employ—on the basis of comprehensive technical diagnostic procedures—those state-oriented repair and maintenance cycles and procedures which will contribute not only to a higher plant and equipment capacity, but which will also be in keeping with the constantly developing safety-engineering requirements. By means of target-oriented research projects and stepped-up involvement of the innovator system, we are making use, in our reconstruction projects, of the latest discoveries of science and technology to monitor our systems so as to guarantee preventive protection against leakages of toxic substances.

In this connection, I consider the action algorithms of the management stations/dispatchers for certain trouble situations in our combines and enterprises to be very significant. Nevertheless, one must always start with the idea that constantly new aspects will be added and that no system of any kind is optimized by itself alone.

Comrades from the Schwarzheide Synthesis Plant VEB [state enterprise] have set an example by drafting a damage control program on short notice which was presented to the most recent scientific conference in the teaching and research complex at the Institute of the "Otto Grotewahl" ZV [central administration]. By means of a computer, the dispatcher is in a position quickly and in a target-oriented manner to initiate the necessary measures when trouble arises in any division of the plant. This program is now being expanded and is being introduced step-by-step into our combines and enterprises. One primary task here consists of considering maximum possible safety requirements already apparent in connection with investment projects. We are guided in all of our decisions by this basic principle. As an example of this I would like to mention the Rostock fertilizer plant. When it was erected, complex computer-based process automation made it possible to achieve not only an optimum production system but also to make full use of the resulting possibilities of rational and safe monitoring of sensitive production sectors. This plant presently is up to world standards in this respect and thus sets an example for all combines. But it is not only the safety-engineering and technological aspects involved in our production process that require more attention. We must also always start with the idea that irregularities can develop in the production process and this demands very specific actions and measures in each case in order to get the situation under control and to counter any possible consequences. This is why, in recent years, we have undertaken investigations with leading comrades from civil defense and the council of

Halle Bezirk, and the results of these investigations in 1987 were subjected to a practical test during a complex exercise in the "Walter Ulbricht" Leuna Works.

In connection with this exercise, it was possible to make specific determinations regarding preventive damage and disaster protection among which I would like to stress the following in particular:

- the organization of cooperation between the enterprise and the territory;
- having enterprise-owned systems alarm residential areas bordering on the enterprise;
- providing special technical consultant services to support the local agencies [of government];
- creating briefing documentation for the population regarding behavior in case of possible eruptions of toxic substances.

How do these determinations work in practice?

It was agreed between the "Walter Ulbricht" Leuna Works and the council of the community of Spergau that, in case of an eruption of toxic substances, which might possibly endanger the community, the enterprise would delegate special briefing teams to go to the community. At the same time, in case of such a situation, the siren in the community would be turned on by the dispatcher of the plant. Enterprise specialists would advise the local agencies concerning the degree of the threat, as well as ways of behavior and the possibilities of minimizing the danger. In a clearly illustrative and short form, specially prepared memoranda supply corresponding hints as to what to do in case of eruptions of toxic substances. Furthermore, together with the comrades from civil defense, from the Academy of Sciences, and other scientific institutions, we drafted uniform bases for the calculation of the propagation depth. That was necessary because there were to some extent differing views and calculations in this respect. But protection for our people and environment commands us quickly and specifically to know the potentially endangered area in order to be able to initiate corresponding measures.

These fundamental points now are simultaneously the prerequisite for computer-assisted, prognostic calculations. The calculations, which are presently used in our industry branch, were revised and further spelled out as a result of scientific investigations. This process is naturally being continued all the time. Of course, we cannot solve this problem all by ourselves. For that, we need close cooperation with the scientific potential, for example, the potential of the Civil Defense Institute, of the Ministry for Environmental Protection and Water Industry, the Ministry of Health, and others.

Although our production processes take place with a maximum possible degree of safety in engineering terms,

we must always devote utmost attention to the subjective factor, the dominant role of man. This also applies to preventive damage and disaster protection.

An event involving the uncontrolled eruption of ethylene, a nontoxic gas, from the Bad Lauchstaedt underground tank, which took place most recently, makes it clear that we must not let up in our efforts aimed at preventive damage and disaster control. By means of circumspect action and tight management on the basis of timely management documents, it was possible quickly and in a goal-oriented manner to initiate the necessary measures and thus to prevent effects from affecting the people and the national economy. The rapid employment of volunteer workers of the ZV from the "Walter Ulbricht" Leuna Works VEB, the Buna Chemical Works VEB, and the Bitterfeld Chemical Combine VEB effectively supported the personnel from the gas control detachments. The briefing results drafted by them were expressed by the decisions that were made. The tested cooperation between the enterprise and the territory was brought to bear here to the fullest extent and demonstrated the level of cooperation attained as well as the need for coordinated, specific determinations to protect our citizens and the environment.

The workers of our industry branch support, with a high degree of action readiness, all measures serving the prevention of damage and disasters—be it through regular damage control training in the individual production sectors or through active voluntary cooperation in the ZV action teams. I would therefore like at the same time to use this article to express my thanks to all female and male volunteers of the civil defense force of our industry branch. Through their responsible activity in connection with training, exercises, or also their daily work, they are making a significant contribution to the increase in work and production safety and thus also to preventive protection against damage and breakdowns. During the training here just past, the ZV action teams in the chemical industry were able to achieve an economic benefit worth more than M5 million as part of their training and this saving will also serve for preventive damage and disaster control. Tribute was paid to these good results likewise by virtue of the fact that, on the occasion of the 30th anniversary of the ZV of an RBI division of the Schwarzheide Synthesis Works VEB, a flag was awarded to the ZV and that traditional names were bestowed to 11 formations from 8 combines.

It is the declared goal of workers all the way up to the government manager to do everything to prevent eruptions or uncontrolled leaks of toxic substances and thus to forestall a threat to man and the environment.

05058

INTRABLOC

CEMA Industrial Output Surveyed; Electronics Role Stressed

26000542 Warsaw TRYBUNA LUDU in Polish
17 Jun 88 p 6

[Article by Bogdan Mikolajczyk: "Great Potential, Great Market"]

[Text] In the distinctive skyscraper in the shape of an open book that looks out over the waters of the Moscow river, things have loosened up recently. But changes in the organizational structures CEMA staff—because that is what was discussed—although important, are only a small fragment of the restructuring of mechanisms of cooperation among the 10 socialist countries.

This intensive process—extending to goods and money relationships, the currency, financial and credit system and economic levers—is continuing. It is absorbing the attention of both experts and the general public, moving current economic reports slightly into the background, almost into the shadows.

In one of the most recent press bulletins from the CEMA secretariat, I found a recapitulation of the industrial development of the council's countries for 1987. It is very interesting reading, pointing to phenomena that are worth closer investigation, that merit comment.

Percentages and Levers

But let us begin with facts. What was industry like in the 1987 in the CEMA countries? In all of them (except for Cuba) a considerable increase in production was recorded; on the average, among the entire ten members, it was 3.6 percent. Industry in Vietnam, Mongolia and Rumania showed the highest growth rate.

And one significant thing: the entire increase in aggregate production had its source in increased productivity. In Bulgarian industry, productivity rose by 3.4 percent; in Hungary, 6.3; in the GRD, 4.0; in Mongolia 4.0; in Poland, 3.0; in Rumania, 4.6; in the Soviet Union, 4.1 and in Czechoslovakia 2.5 percent.

A careful reader will ask here: what is behind these percentages? Why, for example, did Hungarian industry move forward so sharply? It turns out that in many fields, the Hungarians managed to decrease the consumption of materials per unit of production. Also, one cannot fail to notice here a certain animation in the sphere of Hungarian investments, where last year 291 billion forints were invested, which is a 12 percent increase compared to 1986.

In East German industry, the number one lever in productivity was automation. At the end of last year there were 43,700 work stations with systems for automated manufacturing preparation and control by technological processes. The number of industrial robots reached 78,800 units. Our western neighbors have developed highly their microelectronic base. Technologies for production of integrated circuits with 256 megabytes of memory have been set in motion. That is a world scale achievement!

Soviet industry was augmented last year by 300 so-called elastic production systems and 11,000 robots, not to mention 16,000 microprocessor controlled lathes.

To compare: how is it here? At the end of last year in state industry, 2,214 automated lines, 408 tooling centers, 232 robots and manipulators and 930 computers controlling manufacturing processes were in operation.

A few words about the quality and renovation of manufacturing. That has not been and still is not the strongest side of management in CEMA countries, although one cannot fail to notice changes for the better. What about last year's evaluations? Bulgaria, for example, can boast of very appropriate indicators of manufacturing renovation in electronics (25.7 percent), construction of heavy machinery (18.2 percent), and transport and agricultural technology (14.7 percent). I have already mentioned the GRD's significant achievements in electronics.

Electronics, the Motor for Quality

I would only add that electronics is a causative force for many qualitative changes. In Czechoslovakia, high level technological and economic goods comprise 17.4 percent of all manufacturing. In the Soviet machine industry, manufacturing counted as highly efficient increased by 10 percent last year. And Polish industry? I read in the bulletin I mentioned, in CEMA statistics, that the share of new and modernized production in the total value of industrial goods in Poland increased from 3.9 percent in 1986 to 4.8 percent last year.

In conclusion, a few more general indicators of development for the entire CEMA community from last year. Production of electrical energy reached 2,181 billion kilowatt hours and was 3.5 percent higher than in 1986. A significant increase, going "neck and neck" with the growth of industrial production, which points to reserves in economizing programs. The ten socialist members is producing 30 percent more electrical energy than the European Economic Community. Mining industries. In the fuel industry the greatest increases were achieved in Mongolia (10 percent), Bulgaria (5.1 percent) and Hungary (3.5 percent). Coal mining in CEMA in 1987 came to 1,508 million tons (one third of world production); crude oil, 638 million tons and natural gas 729.5 billion cubic meters.

The growth rate of industrial production in our economic group surpassed the rate of production growth in capitalist countries (3.0 percent) and member of the European Economic Community (1.5 percent). This does not change the fact that the market of CEMA countries still suffers from specific shortages. In any case, this necessarily brief review shows that the ten socialist members of CEMA are both a great potential economic force and a great market.

12776

GERMAN DEMOCRATIC REPUBLIC

Positive Developments Noted at Leipzig Autumn Fair

Steel-Rolling Agreement Extended

23000163 Frankfurt/Main FRANKFURTER
ALLGEMEINE ZEITUNG in German 7 Sep 88 p 7

[Text] Leipzig, 6 September—The three steel concerns, Salzgitter AG, Hoesch AG, and Thyssen AG, Tuesday, in separate sessions, signed agreements on extending the job-rolling agreement with the GDR, which was first signed in 1984 and expires at the end of this year. According to the agreement that is coming to an end, in which up to now Salzgitter has had a 60-percent and Hoesch a 40-percent share, approximately 2 million tons of steel from the GDR Eisenhuettenstadt steel works will have been rolled into high-quality sheets on the West German companies' hot wide strip mills by the year's end.

Following a cooperative agreement that was agreeable to both sides, the job-rolling agreement is now being extended for another 4 years—until 1992; not only has the volume been increased to approximately 2.4 tons, but Thyssen AG has also been adopted as another partner for rolling special qualities and special dimensions. In this way, the total volume has increased by around 20 percent, whereby Salzgitter will continue to account for 60 percent, leaving 30 percent to Hoesch and 10 percent to Thyssen. Despite its smaller share, Hoesch calculates that the interest held by the company, which came to 500,000 tons in the first agreement, will rise to around 800,000 tons in the future.

In addition to the higher quantities, other conditions were also renegotiated. However, it is apparently the case that few major changes resulted compared to the conditions of the expiring contract, in view of the current upswing in the steel industry in the FRG. The value of the goods ordered is around DM500 million per year, thus a total of DM2 billion.

The GDR has no hot wide strip mills, even though according to an East German Government resolution this type of plant was to be built following construction of the steel plant built by Austria's Voest [company]. It

was originally stipulated in the plan that the USSR would function as main contractor with Western companies acting as suppliers. However, this resolution was not put into effect. The construction of a hot wide strip mill, on which slabs (steel blocks) are rolled into sheet metal, is estimated to cost DM1.5 billion; because the GDR lacks its own technology, at least part of this would have to be obtained and paid for in hard currency.

New Camera Developed

23000163 Frankfurt/Main FRANKFURTER
ALLGEMEINE in German 7 Sep 88 p 7

[Text] VEB Pentagon, Dresden [JPRS note: The reference to VEB Pentagon Dresden throughout this article presumably is to VEB Pentacon Dresden.]—Lately, the conversion from the mechanical to the electronically controlled reflex camera has been fully under way at the plants of Europe's largest camera manufacturer. At the Leipzig Autumn Fair, the enterprise, integrated several years ago into the VEB Carl Zeiss Jena combine, proudly presented its new generation of reflex cameras under the famous brand name "Praktica." The "Praktica BCC" represents the first time that an electronically controlled reflex camera has been offered at a price of less than 1,000 marks for the domestic market as well. The management of the enterprise hopes that the transition from mechanical to electronic will be completed by 1989.

In this way, the camera manufacturers from Dresden hope to finally rediscover their niche in modern developments in phototechnology. Still, the days in which technical progress in the field of camera design was defined in Dresden—it was here, after all, that the industrial production of cameras was begun around 100 years ago, and later they brought the first single-lens reflex camera on the market—are long gone. For some time now, the Japanese competition has defined the pace of technical development in this field.

Nevertheless, the enterprise has apparently overcome the most significant difficulties, which resulted primarily from the delay in technical conversion. Now that the Japanese have drastically reduced their production of reflex cameras—meaning that there are no longer gigantic overcapacities depressing market prices—sales opportunities, too, appear to have improved somewhat, without there being any real possibility of growth in the market. At any rate, it is hoped at Pentagon that production this year can be expanded between 5 and 12 percent, depending on product group. Approximately two-thirds of this production will be exported. The most important customers abroad continue to be Great Britain, France and the FRG.

Although the new Pentagon cameras, eyeglasses, binoculars and household glassware dominate the Carl Zeiss Jena pavilion at the Autumn Fair, all of these consumer goods constitute only a fraction of the production of the combine, after Roboton the largest in the GDR. They contribute no more than 17 percent to total sales, which according to the assistant director-general, Klaus

Szangulies, is to again experience growth in the two-digit range this year. After achieving a growth rate of 8 percent in the first half of the year, it is hoped at the combine that 10 percent will be possible for the total year. If so, the combine, with its 25 enterprises and 69,000 employees, would achieve a total sales figure of around 5 billion marks.

12271

General Director for Retail Trade Details Goods, Services

23000156 East Berlin DER HANDEL in German
No 4, 88 pp 5-6

[Article by Helmut Zacher, general director for retail trade: "Results and Goals of State Retail Trade"]

[Text] Next year's 40th anniversary of our republic offers an opportunity to the personnel of the state retail trade to prepare for this celebration by numerous actions in the socialist competition for the fulfillment of the planned supply targets and the further improvement of customer service. In the preparatory period for this event, the state retail trade (HO) may itself look back over 40 years of work devoted to the implementation of party and government supply policies. The first "free stores" were opened to the public in Berlin on 15 Nov 1948 to supply food and textiles and in Halle on 19 Nov 1948 to offer industrial merchandise. The first "free restaurant" began operations on 14 Nov 1948 in Dresden.

The merchandise available in the "free stores" improved the planned supplies to the public (based at that time on ration cards). It did so in conformity with gradually rising production and the growing cash incomes of the working people. As the result of the increased availability of consumer goods, it was possible to abolish the ration system in 1958, while new duties were assigned the state retail trade (HO). The latter was called upon to develop modern retail operations, responding to the demands of the socialist society and serving as an example for other types of trade.

Exemplary in the Retail Trade

In many fields HO collectives were the pacemakers in the retail and foodservice trades in our republic. This was reflected in, among other things:

- The introduction of self-service for essential and nonessential foods as well as ranges of suitable industrial consumer goods. The first self-service store opened in Berlin in 1956. By 1970 self-service in essential and nonessential food stores accounted for 60 percent of the total.
- The establishment of department stores that became a drawing card for urban shopping centers. A total of 165 magnet department stores began operations, offering industrial consumer goods in general or acting as furniture stores, clothing stores or children's stores.

- The development of supermarkets, representing an entirely new type of sales establishment. Nowadays we cannot even contemplate doing without these modern and efficient facilities for purchasing goods in daily demand. The first supermarket opened in 1956 in Berlin-Weissensee. By now we count more than 900 HO supermarkets.
- The construction of large restaurants, responding to both the public's growing demand for gastronomic services and growing cultural needs. We now have 380 large, modern restaurants, that is, restaurants capable of serving more than 400 people at the same time. Of course we also established many new smaller restaurants and coffee shops.

Dynamic Performance Development

The decisions adopted by the Eighth SED Congress represented a major milestone for the state retail trade (HO) also. According to these, the work of the state retail trade (HO) is determined primarily by the implementation of the main task in its unity of economic and social policy. Since 1970, the state retail trade (HO) more than doubled its turnover. The net income for the state budget registered a twofold increase, output per sales clerk rose to 145 percent, and trading losses were substantially lowered.

In implementation of the decisions regarding youth policy, we provided 239 points of sale for young fashions. Of these 70 percent are youth objects, and 60 percent were awarded the designation "contact ring."

Responding to public demand, a network of stores was created for the purchase and resale of used consumer goods. In 1972 we had 50 such points of sale with a turnover of M13.6 million. By 1987, 809 stores bought and sold used general merchandise, while 894 specialist stores handled used durable consumer goods. Altogether they turned over merchandise in the amount of M1.2 billion.

Annually more than 6,000 stores and restaurants are being reconstructed. At the same time, guided by the local state organs, it is increasingly customary not only to renew individual buildings but to modernize entire streets. Since the Eighth SED Congress, shopping streets have been developed in almost 400 cities, to serve as attractive centers of business life. The state retail trade (HO) is well represented in all of these.

Among the extensive duties of the state retail trade (HO) are the organization and operation of children's and school meals, cafeteria services for workers and food services for large-scale social and cultural events.

When mentioning our services and successes as well as our future tasks, we must not overlook the citizens who, as the vital expression of our socialist democracy, actively support the work of the HO's in about 23,500 customer councils and represent customer interests in stores and restaurants.

In the Competition for the Best Methods

In implementation of the decisions adopted by the Fifth SED CC Plenum and Erich Honecker's address of 11 February 1988 to the first secretaries of SED kreis leadership organizations, the high standard of efficiency achieved in the state retail trade (HO) needs to be further improved by new initiatives. We will have to comprehensively apply the methods, experiences and procedures of the Wittenberg HO enterprise. Each HO facility needs to work in accordance with the Wittenberg experiences, while always taking due note of specific needs. That is the best way to quickly get rid of any still persisting differences in the efficiency of our enterprises.

It is imperative to even more efficiently manage all sectors. By comparison with last year, 1988 retail turnover must be raised by 3.3 percent, procurement and sales by 11 percent. Net profits should rise by 13.5 percent and retention of stocks of merchandise cut by 1 day.

Facilities for the buying public must be improved with the aim of further reducing the time spent on shopping and improving the standard of retailing. This requires above all a full range of the planned available stocks of merchandise in the retail trade, a minimum of waiting at check-outs and in sales departments, the provision of time and labor saving sales aids as well as expert and friendly customer service. This is imperative most of all with respect to the 900 HO supermarkets, where the standard of supplies and labor organization must continue to improve up to the 1989 popular elections—always with the active involvement of social forces, including customer councils.

Looking for the Shortest Merchandise Routing

Relations with local producers of fresh foods will be so developed that fresh produce grown and processed in the vicinity will more and more go directly to local stores and restaurants. In close and long established cooperation with the VKSK [Union of Small Gardeners, Settlers and Small Livestock Breeders], we will further increase the purchase of fruit and vegetables. In 1988 such purchases are to achieve 22,717 tons. That represents a 34.5 percent rise compared with 1987.

In conjunction with consumer cooperatives, the retail trade's cooperation relations with the wholesale trade and industry are being further expanded. It is our desire that industry and agriculture should deliver their products to stores and restaurants as directly as possible and with the smallest possible loss. We as broadly as possible apply the principle of improvement of new and further developments, the conduct of special sales in the retail trade, the expansion of automatic reorders for standard products.

Supply relations between 398 HO industrial consumer goods stores in district and kreis cities on the one hand and local production enterprises are being stabilized and expanded.

The good product quality expected by the retail trade requires working groups to improve assortment appropriate management and thereby complement regional supply management. We are orienting the efforts of the working groups to the betterment of supply efficiency and to the improvement of expert advice and service to customers.

Based on the experience gained by the working group on youth fashion and in collaboration with our cooperation partners, we will this year gradually expand working group efforts for children's supplies, fast food restaurants, supermarkets, fruit and vegetable. Assortment appropriate management is also to be improved in the second half 1988 or first half 1989 by setting up working groups in such specialized fields as footwear, glass/ceramics, homewares, sports equipment, paints and lacquers, luxury goods, residential district restaurants and factory cafeterias.

Expanding the Scientific-Technological Lead

To accomplish all the above tasks it will be imperative to efficiently utilize the available social labor capacity, create more and better scientific-technological solutions and emphasize preparatory work.

We need to focus on the drafting and application of labor saving processes and of more than 100 rationalization project types with the aim of (by comparison with 1987) saving more than 10 million working hours, 2,210 employees and 237.4 terajoules.

We are concentrating the use of the microelectronic devices made available to us as per plan on more rationally organizing the operation of supermarkets and large restaurants as well as on the trade technological planning and rationalization of administrative work. The efforts of the more than 2,600 youth brigades also emphasize these key points. A "youth rationalization project" is being developed in order to provide more active backing for the "FDJ Proclamation GDR 40." The social profit in the innovator movement will be raised by M5.1 million to M40.6 million.

In implementation of SED decisions and jointly with the organs of the local state power, our cooperation partners and honorary bodies, the managers and collectives of the state retail trade (HO) will accomplish the challenging tasks and thereby contribute to the further improvement of supplies to the public in the 40th year of our republic's life.

[Caption for photo not reproduced] In this year, too, the state retail trade will be represented on more than 3,000 markets of various kinds.

HUNGARY

Budget Reform Problems Discussed

25000229 Budapest MAGYAR HIRLAP in Hungarian
7 Jul 88 p 7

[Interview by Maria Lakatos with Mihaly Kupa, chief of the Budget Reform Secretariat of the Ministry of Finance; date and place not given]

[Text] How much will the budget deficit be? This question is fundamental for all of us because an unbalanced scale deteriorates our chances in the long run. But the problem also has another aspect. How can one accomplish a fundamental change in outlook: how can the reformed budget be placed on new foundations? The Budget Reform Secretariat within the Ministry of Finance was established in January. We asked Dr Mihaly Kupa, chief of the Budget Reform Secretariat concerning the chances of reform along with an increasing deficit.

[Question] Contrary to expectations the budgetary deficit is far greater than planned. It has reached the 30 billion forint level. Do you take into consideration this fact in the course of your preparatory work?

[Answer] We must not detach ourselves from realities. In the event that a general economic crisis evolves, it will manifest itself in the condition of the state, which is the largest disburser of income. It would be indeed odd if at present we would produce a balanced budget. Our analyses take into consideration the increasing deficit of course. That deficit did not evolve in the course of one or two years. Balance disintegrated over a long period of time. The mistakes are fundamental: the budget reflects the principles of the 1950's, those of the paternalistic state. The problem is that along with a stagnating economy the state is incapable of fulfilling the tasks it committed itself to perform 40 years ago, such as free access to housing, guaranteed health care, schooling, and I could go on. The state guarantees announced in those days have crumbled in a frightening manner. For example: the declining council budget does not provide funds for the proper provision of health care, and not even of education.

[Question] The quality of service has been deteriorating for years. According to official reasoning, this took place because there was no money. But we have not received an answer to this question: for what purposes, and more importantly, why the budgeted revenues are spent. It seems to me that individual line items within the revenue and expenditure categories took separate routes.

[Answer] We publish the state's balance sheet every year. This shows the annual current expenditures and revenues. Fundamentally missing is a summary which shows all of the state's obligations. I believe that this is the concern you share. Today's accounting does not contain the full circle of data pertaining to international investments, the state's domestic obligations—for instance,

when the state pays off to the bank a debt incurred by an enterprise, or the state writes off an enterprise's tax obligation. There should be no misunderstanding. The issue does not pertain to moneys paid under the table. It is a technical problem. In addition to the existing balance sheet, the state's balance of assets and credits should also be published. Generally they do not release the full summary, but they do publish the balance which shows the change. Various data appears nowadays in the state balance sheet, mixing current and capital revenues, as well as credit transactions. This renders public control as very difficult. This is so, even though a state budget balance sheet can be honest only if it can be reviewed. That's the only way one can control it.

[Question] I feel that something is missing from your listing. The priority investments, such as the Tengiz or the Bos-Nagymaros expense summaries have not been published thus far. Is the reporting of these part of the reform conceptions?

[Answer] Naturally. All this would show much better in the credit balance than it does now, when the state's balance sheet shows annual allocations. To top it off, if expenses are paid out of money obtained through credit, such allocations will show only when repayments are beginning to be made, in other words: only a few years later. It is my opinion that the National Assembly should debate over an investment matter—whether a given investment should be or should not be made—before [the cabinet] reaches a decision. To accomplish this, however, one would have to put together a capital budget, which would contain projections in the longer term, and would permit us to see how much a given investment costs and what is the return. On occasion the direct return is not shown by such calculations of course, as for instance in the case of the North-South metro. It would not hurt, of course, to be able to see several years ahead in regards to current expenses also.

[Question] In and of itself, the annually growing shortage is an alarming phenomenon. But we also have exhausted some reserves, moreover we have incurred shortages which cannot be replenished from one year to another. For example: the amounts paid in the form of pension annuities are usually accumulated and treated within a segregated fund. Today we do not even see a trace of that.

[Answer] The earlier economic policy trend used up the reserves; it is not only the pension fund that is missing, but there was not enough money left for roads, public works, and the telephone network. In my judgment the problem is not that there is not enough money. After all, the economy produced 1,000 billion forints even this past year. A far graver concern is the fact that the disbursement of funds lacked consideration for decades, the resources were used badly or at the wrong places. State intervention through budgetary means is tremendous, and this paralyzes the functioning of the economy. Actually, within the production sector we are already

regrouping income by withdrawing excess income from prosperous enterprises so that we provide a huge subsidy to badly managed enterprises. In developing our conceptions we started out from the idea that we will once again and unequivocally define the functions of the state—what will the state undertake, and what will it not. Most likely this is the most serious issue.

The other viewpoint that is totally clear is that we must do away with enterprise subsidies, and must do so fast. Reorganization cannot go on even if the price we pay is that entire branches of industry go bankrupt and there will be less merchandise. References to an "obligation to provide supplies" is totally incomprehensible in a situation when shortages continue unchanged. All this, of course, makes possible the reduction of enterprise taxes. Along with such tax reductions, however, we must develop the sociopolitical safety net. We must not permit the continuous shrinkage of the value of social service provisions. People must know exactly what they can count on, and the value of a given service must be guaranteed year after year. Without such guarantee one cannot bear existential insecurity, the reduction of pensions. Related to this are the various associations that organize themselves and insurance companies that, on a volunteer basis, supplement the provisions guaranteed by the state. And something else: thus far we financed certain institutions so that they deliver the social security functions, education and health care services. At present we would like to make a fundamental change in this earlier method. We would not provide funds to institutions, but for purposes of [specific] tasks. Whoever performs that task would receive the budgeted funds.

[Question] This work appears very large. So many fundamental issues must be resolved prior to implementation that one may be concerned that the introduction [of the new system] will be prolonged for a long time.

[Answer] I disagree. The National Assembly mandated that we submit our conceptions in September 1989 in the form of a legislative proposal pertaining to the state budget. Even without such mandate there no longer is time for delay. As soon as a unified conception evolves, it can be introduced in installments, and this may take another year or two. We must work out the guarantees, the order of control, there would be a need for instance, for the establishment of a Supreme Accounting Office subordinate to Parliament. This office would control revenues and expenditures, and also, for example, whether the value of provisions to citizens decreased year after year. The Council of Ministers already accepted the basic principles, and quite naturally, the conception itself will be the subject of debate by representatives this September. Nevertheless budgetary reform also depends on how fast decisions are made in the rest of the areas, how the relationship between the political mechanism, the institutional system and the budget will be transformed, whether there will be a new constitution, and how the administrative-directive system will change.

[Question] Is this going to be reflected in the budget as a separate item for the financing of the political institutional system?

[Answer] The members of social organizations, of the party, of associations, the trade union and of KISZ pay dues. It is the job of these organizations to inform at the minimum their membership concerning their income and what they spent the money for. But if the budget supports a given organization, then the fact of such support, like any other data not classified as state secret, must be publicized to the largest extent possible.

12995

POLAND

Examples of Direct Enterprise Cooperation With Soviets

26000546a Warsaw TRYBUNA LUDU in Polish
21 Jun 89 pp 1, 6

[Article: "Direct Contacts, Greater Benefits—No Official Documents or Intermediaries"]

[Text] Soviet reconstruction and Polish renewal in the economic sphere have created qualitatively new conditions for the development of bilateral economic contacts. The exchange of new technologies and goods is taking on ever greater speed, while production enterprises in Poland and the USSR are entering directly into cooperation and coproduction.

Here are concrete examples noted by TRYBUNA LUDU.

Meraster: Long-Range Prospects With a Guarantee

Dr Engineer Marian Budka, director of the Meraster Center for Scientifically Produced Control Systems in Katowice, said: "When many firms in the electronics branch 10 years ago were looking for prospects for development, we 'set out for' the USSR.

"We believed that it would be easier in an allied country to find a plane for mutually beneficial long-range cooperation. We were not wrong. The present shape and scope of our relations with our Soviet partner, which insures "Meraster" access to a world-class microelectronic base in an area of production where the USSR is a major figure, is proof of this fact.

"The second thing is that in participating in joint research and studies, we are involved in the Soviet Union's ongoing needs without many real secrets. This ensures that many of our products will be exported to the

Soviet market and that our firm itself will enjoy economic stability and development.

"It is a mistake to think that we can export just anything to our eastern neighbor, because of the size of the market there. The demand for quality is very great, particularly in those areas determinative of modernity and the level of technology. We can say quite frankly that without cooperation on a day-to-day basis, it would be very difficult to meet the requirements.

"Meanwhile," Director Budka continues, "we are sending about 80 percent of Meraster's production to the USSR, selling them professional multipurpose minicomputer systems. The value of these exports has been growing dynamically, from over 30 million rubles in 1987, to 45 million this year and about 60 million next year.

"The joint scientific research conducted by the Soviet Academy of Sciences and institutions of higher education and the occasional purchase of Soviet licensing allows us to modernize our products continually on an average of ever 2 years. From the Mera 60 minicomputers we went over to the Mera 660 and 680, which are very much faster and have internal storage that is many times larger. They use graphics and have the possibility of working in local networks.

"The mutual benefits of this cooperation are so encouraging and extend so far into the future, that even this very day, on the 21st of the month, we are finalizing the creation of a Polish-Soviet joint venture in commercial law, to be called "Polsib." The Meraster central office will be part of the company. Thus, cooperation with Soviet partners is entering a new stage, and, this is the result of consistent economic reform in Poland and in keeping with the notion of the new principles of perestroika in the Soviet Union."

Elpo: Trading Ideas and Products

Last year the Elpo Clothing Plants in Legnica stepped up contacts with Soviet factories in the same branches of industry.

At the instigation of the PZPR Voivodship Committee, multilateral cooperation was begun with plants in the Orenburg district, with which Legnica Voivodship has been maintaining close ties. This month the plant also signed a cooperation agreement with Oblpotrebsoiuz in Volgograd.

"We are maintaining contacts with the Orenburg Tailoring Complex, the Orenburg Silk Complex, and the Orsk Tailoring Complex," says Elpo director Jan Debicki. "Besides the traditional interchange of information in the realm of production technology and management, the program of cooperation includes a concrete exchange of products to enrich our markets with the clothing being sought.

"We will shortly receive 30,000 running meters of fabric valued at about 200,000 rubles from the Orenburg Silk Complex, in exchange for our goods. Next year this exchange will be greatly increased. Based on agreements that have been made, we also expect to receive cotton material from the Orenburg Tailoring Complex in exchange for 5,000 pieces of our goods to be sent to the Soviet Union. Cotton is scarce on our domestic market.

"The agreement with the Orsk Tailoring Complex has a similar scope. We should emphasize that the exchange of goods and services has a compensatory dimension and operates on the basis of contract prices which the parties negotiate each time.

"At the beginning of this June we signed a new agreement with Oblpotrebsoiuz in Volgograd, and by the last 10 days of June we will already start receiving a Soviet shipment of fabrics valued at 100,000 rubles. On the return trip we will send 5,000 pieces of our products made from Polish fabrics. We also exchange with the Soviet firms special designers, patterns, and modern computer technology adapted for sewing clothing."

WZPOW: Watermelons for Pennies

"Production cooperation with Soviet agricultural firms gives our companies the opportunity of greatly enriching the assortment of items processed," says Bogdan Zarzycki, director of WZPOW, the Warmin Fruit and Vegetable Plants in Kwidzyn. "For several years we have been working in fruitful cooperation with two Soviet enterprises, Primorskii Sovkhoz, a collective farm in the Kaliningrad District, and the Ust Latinskina agricultural food complex in Kuban.

"The way things are, inasmuch as our operations are just 100 kilometers from the border, the greatest cooperation is with the farmers in Kaliningrad District. This geographical proximity allows us to work together like good neighbors with adjoining farms.

"We have a great deal to offer each other. Our Soviet colleagues are particularly interested in developing their own processing. We have a great deal of experience in this area. WZPOW is after all the country's largest producer of canned peas, jam, fruit, and partially prepared culinary items. We are also farming 2,000 hectares planted to peas and beans.

"We are working with the Primorskii collective farmers with experimental plots planted to our beans, green beans, onions, leeks, parsley, and carrots to help them attain the highest yields by using modern methods of cultivation. We are working in our own interest here, because we want to set up a joint enterprise in Kaliningrad District, and it will need to have an efficient base of raw materials.

"We bring our technology and machinery to the venture, and our Soviet partners are providing the technical production service. We will benefit from the access to the sort of crops which are scarce on the Polish market: wild mushrooms, cranberries, certain kinds of fruit, those of the "oblepikhy" type, which are rich in vitamins and a valuable medicinal component."

The Kuban complex in turn provides a good opportunity for us to trade our processing technology and products for Southern fruits, which are sought after on the Polish market. The possibilities for trade are limitless. They need to be utilized in the interest of both sides.

10790

Polish-Soviet Direct Trade 'Myths,' Relationship Examined

26000617 Warsaw ZOLNIERZ WOLNOSCI in Polish
11 Jul 88 p 5

[Interview with Jerzy Zaskurski, cochairman, Polish-Soviet Council of Directors of the organization of direct S&T cooperation, by Janusz B. Grochowski: "Substance Is More Important Than Form"]

[Text]

[Question] Recently, the deputies of two states traveled to Odessa and signed a contract for cooperation between the Industrial Institute of Construction Machinery in Kobyłka and the Heavy Crane Construction Works there.

[Answer] They did, but what is so strange about that?

[Question] The fact that they did this on their own initiative without any orders or participation from above.

[Answer] That only goes to show that the changes in Polish-Soviet relations are not just theory but practice.

[Question] But not too long ago, such an undertaking was inconceivable. "Highly placed negotiators on both sides" entered into even the simplest contracts, they also knew best what the given enterprises needed.

[Answer] At one point, many issues were unthinkable... Broad and highly-ambitious government programs were signed, which in reality were often unfeasible. What is worse, there were no mechanisms by which these plans could be carried out. Scientific and technical cooperation could only be handled through specialized foreign trade exchanges and this did much to complicate joint research. Furthermore, all of the financial calculations were based on rubles and that made many enterprises unprofitable. It was obviously a lie to say that nothing has been accomplished in the past but it is unfortunately true that the slogans often worked better than the programs themselves.

[Question] This practice has given rise to many different myths.

[Answer] I myself remember two Russians admiring our Polonez automobile and saying that only the sheet metal was Polish and that the rest had been taken from the Pobeda. In Poland, on the other hand, one has often heard it said that regardless of what we propose, Moscow makes all the decisions. Actually, these mutual talks were specific in nature but that does not mean that it was necessary to agree on nonsense. Many times, I myself have thrown my pen down and somehow all of my hair has not fallen out.

[Question] Unfortunately, our relations are still tinged with these stereotypes.

[Answer] Many try to use the past to explain their own inability or bureaucratic thinking and their lack of faith in the permanence of trade regulations. This creates barriers that do not really exist and the central government itself sometimes even helps foster such stereotypes. This prevents real opportunities from being put to use, especially in industry. But if someone wants to cooperate and knows just how to go about it, he can do it.

[Question] Whence then all of these unsuccessful marriages, even among the recent ones?

[Answer] Some relationships have been arranged hurriedly or arbitrarily on the spur of the moment; maybe even at times they were decided or suggested "on high." At the present stage, the most important form of industrial relations seems to be companies because they offer more opportunities to act than international enterprises. In the sciences, however, not everyone operated according to profit and loss accounting before they signed contracts. Another point is that it was hard to do such accounting due to the lack of objective standards. In effect, it may turn out to be the case that the given task will be too much for the partners to handle or disappointment will set in once they have to figure out the costs for an unprofitable enterprise.

[Question] I am guessing that the reason the joint Councils of Directors were formed was to prevent such unpleasant surprises.

[Answer] And the councils are not interested in whether the jointly-manufactured crane was a good one or a bad one but how well the two sides cooperated in building it. We are also not concerned with the form of cooperation which can take different shapes such as joint design bureaus, mixed groups, divisions of tasks between partners and contracts. What we are interested in is the substance of cooperation. And I must admit that I have not seen any empty propagandizing of cooperative themes. Talks about everything and nothing have ended as has the exchange of information that says as little as possible. The signed contracts for direct cooperation

have set some very specific goals such as the development of new products, technological processes, medical treatment methods or methods of crop cultivation. Of course, that cannot do away with the problems that do emerge. The discipline and dependability of some partners is not everything it should be. In Poland, central programs make it necessary to finish research in a timely fashion. The failure to meet responsibilities may cause funds to be cut. In the Soviet Union, self-discipline has not been strongly enough established since central interference was abolished. It therefore seems that not only formal but also economic restraints are needed.

[Question] It is natural for people to be most interested in the effects of cooperation. They want to know just what direct contacts can produce.

[Answer] Two years is not enough time to start talking about profits, benefits or losses. The processes of design and start-up of production take much longer than that. One can however say that cooperation is intensified. It has become debureaucratized and the abolition of formal restraints means that in spite of all, these contacts have now become completely free. There is a growing exchange of specialists, more often now payments are made in national currencies and customs officials now honor the documents provided by the cooperating institutes. This has promoted greater efficiency and speed and that together with the combined effort of the cooperating personnel cannot fail to produce good results.

[Question] I understand that the mechanisms regulating Polish-Soviet cooperation cannot be regarded as a status quo but rather as a process of constant evolution.

[Answer] Of course. At the present time, we are at the stage in which cooperation is supposed to be of benefit to each side separately. I think that this is a far-from-satisfactory situation. We must strive to make our interests common ones but first we must establish capital cooperation.

[Question] We still have a long way to go before that is achieved because there are many barriers such as customs, currency, etc.

[Answer] However, these are not barriers that cannot be overcome. For example, the ruble can now already be exchanged for the Bulgarian lev and the Czech koruna in trade with those countries. Soviet economists say that it is now time to let rubles be exchanged for Polish zlotys or Hungarian forints. However, regardless of that, we cannot be passive because someone else will gladly take the initiative if we do not. Access to the vast Soviet market is indeed invaluable because it offers us a wealth of resources and enormous opportunities to sell goods. For years now, the Japanese have sold their goods at prices 30 percent below world prices and below their own costs of production in order to gain this access!

[Question] Under the present payments situation, we cannot afford to do what the Japanese have done.

[Answer] All the more reason why we should not lose the position we do have. The "perestroyka" ball is rolling in the right direction. We just have to keep up with and even stay ahead of it. However, this is not the way we always do things. Fortunately, the Russians are making very rapid progress and are forcing us to take certain actions.

[Question] And in this sense, the changes in the Soviet Union are also having an effect on life in Poland.

[Answer] It amounts to more than that. It is another matter as to whether these changes fit our plans or what we are doing with our economy.

[Interviewer] Thank you for the conversation.

12261

Mobile-Crane Coproduction With USSR Noted, Cost Problem Viewed

26000546b Warsaw RZECZPOSPOLITA in Polish
21 Jun 88 p 1

[Article: "The Long Flights of Cooperative Cranes: From Design to Production"]

[Text] Many institutions and other research facilities in Poland and the Soviet Union today are joined in close relationships. Many of these relationships already have examples of successful joint technical solutions to their credit, but it is in the construction machine industry that we note the greatest successes in cooperation. We can even call it a sort of model relationship in this day of reform and "perestroyka," a model of cooperation which links all phases of a product's life, from research and design to production and operation.

Cooperation began 13 years ago, when the Industrial Building Machine Institute, or PIMB, which was connected at that time to the Bumar industrial association, and the Chief Office for Heavy Crane Design and Technology in Odessa came to the conclusion that they could accomplish more together than each could on its own. Designers were the first to begin work along with specialists from many technical fields to help them. As a result a short time later a new machine design was born that was in many ways original (as the patents they obtained go to show). It was a mobile crane with a 40-ton hoisting capacity, the forerunner of an entire new family of machines with capacities of 25, 40, 63, and 100 tons, such as those which industry in Poland and the Soviet Union is producing today.

As has already been described at the beginning, in the course of design the division of labor between the partners has also been continued into the production

phase. Poland has specialized in the production of the chassis and retracting booms. The Soviet Union specializes in the production of rotating towers and hydraulics.

The scale of domestic needs and the production capabilities make it necessary for the bulk of the joint mobile crane production to be located in Soviet plants. Of the 3,500 cranes being used today in Poland and the Soviet Union, as well as in other socialist countries, Argentina, and the United States, 700 were assembled in Poland, and Polish subassemblies were used in the rest. Here we must add that the jointly produced cranes enjoy a very good reputation among customers. They have proved to be better than American, Japanese, or West European cranes under the difficult conditions of Siberia, for example, and this is no fortuitous compliment. Proof of this is the Soviet oil well drilling industry's interest in buying more cranes from Poland, for example, and this would be in exchange for crude oil!

Jerzy Zaskurski, director of the PIMB, says: "This reputation is creating a growing demand for our equipment. Of course the cranes must be continually improved and modernized. It is true that cranes are not computers, but they also need to be up to date, if we want people to buy them." This effort is expressed in the thoroughly modernized version of a second-generation 40-ton crane currently going into production in Labedy and Glogow and in the USSR.

Without any exaggeration, we can say that the future lies open to the cranes from Kobylka and Odessa. Can we exploit this opportunity? The answer is by no means clear, because our production capacity has not entirely caught up with the development of scientific and technical cooperation, inasmuch as cooperation has actually remained at the same level during the past 10 years. This applies especially to coproduction of subassemblies. The investments planned for this area at the end of the 1970's were interrupted, and, despite the promising future of this cooperation, practically speaking they have not been undertaken to this very day.

Problems of an economic nature are familiar to other factories in Poland and the Soviet Union engaged in coproduction, and they come into play here too. The issue is that as the result of the existing rates of exchange and the way prices are calculated, exports to the USSR are "too cheap" for Polish firms exporting to the USSR, and, conversely, imports from Poland are "too expensive," according to Prof Izaslav B. Peshkov, co-chairman of the council of directors of the two countries' research facilities engaged in direct cooperation, speaking recently in Torun. In the case where the enterprises in Poland and the Soviet Union have become independent, this barrier is difficult to overcome.

We hope that these problems can be resolved to the benefit of both countries. Our engineers have already discovered a common language. They are also thinking

about the future and are producing new designs (third-generation cranes). In the age of reform and "perestroyka," it is economics that gives meaning to cooperation.

So far this is not a strong point in this area of cooperation, but the question is whether needed production can be profitable when it is sought after (and not just by us) and at the same time modern.

10790

Notarial Act Signed on Polish-Soviet Company POLSIB

26000548a Warsaw TRYBUNA LUDU in Polish
22 Jun 88 p 1

[Text] Polish-Soviet economic cooperation, taking advantage of opportunities from reform and perestroyka, is breaking new ground, seeking alternatives that allow better use of the potential of both countries and magnification of the effects of cooperation.

A notarial act initiating the activity of the "POLSIB joint Polish-Soviet enterprise, a limited liability company," was signed in Warsaw on 21 June.

POLSIB, one of the first Polish-Soviet joint venture enterprises and the first in the electronics field, was created on the initiative of Siberian Department of the USSR's Academy of Sciences and a group of Polish enterprises, known exporters of technical calculation equipment to the Soviet Union. Its purpose is to facilitate the flow of technological concepts (equipment documentation and programming) from Soviet scientific and research institutions to the Polish computer industry, which will develop serial production of the most modern data processing equipment. POLSIB will be involved with coordinating the activities of the partners in the field of scientific and technological cooperation, start-up operations and the production of hardware and software.

In the company's tender offer is equipment for computer networks linking already operational and new computers and mini- and microcomputer systems designed mainly for operation in networks, as well as specialized programming and services in the area of installation, service and training. POLSIB's operating plan, which anticipates the establishment of several branches in the USSR, also provides for operations in the field of advertising and marketing and the possibility of cooperation with other countries.

The company's working capital amounts to 120 million zloty, of which 62 million comes from the Polish side. The partners are the "Mera-Blonie" Mechanized Precision Works of Blonie near Warsaw, the "ERA" Instrument and Computer Factory in Warsaw, the "Metronex" limited liability Foreign Trade Enterprise in Warsaw, the

"Mikrokomputery" limited liability Trade and Production Enterprise in Warsaw, the "Polon" Unified Nuclear Equipment Works in Waraw and the "Meraster" Scientific and Production Center for Guidance Systems in Katowice, and from the Soviet side a special structural office of calculation technology [SBKTO] of the Siberian Department of the Soviet Academy of Sciences [SO AN ZSRR] and the Calculation Center of the SO AN ZSRR Novosibirsk.

We are interested in deliveries of Polish calculating equipment in which the effects of our many years of work on local computer networks will be put to use, said Siemen Waskow, director of the academy's SBKTO. The company will allow us to unite research and production and I know the Polish enterprises well from many years of previous cooperation. Consolidating ties with our Soviet partners will increase opportunities for our development and will also permit us to offer to the Polish market "Mazovia" computers with very interesting, modern Soviet programming, stressed Zbigniew Twardon, director of the "Mikrokomputery" company in an interview with a PAP reporter. By participating in this company, we plan to expand our presence in the CEMA market.

The first meeting of the partners was also held on 21 June and a board of directors was chosen; its president is Prof Stanislaw Paszkowski. POLSIB's administration was also elected; Marian Zuch was named chief director.

12776

Gwiazda on Export Market, Poznan Trade Fair Success

26000546c Warsaw *RZECZPOSPOLITA* in Polish
21 June 88 pp 1, 7

[Interview with Wladyslaw Gwiazda, Minister of Cooperation With Foreign Countries: "Greater Exports, Better Economy—After the 60th Poznan International Trade Fair," with journalists of the PAP and EXPRESS WIECZORNY]

[Text] (PAP)

[Question] What did the 60th Poznan International Trade Fair produce? How did the hosts fare? What are our possibilities, and how do we match up to the world?

[Answer] This year's fair was better than the previous ones. The foreign partners exhibited a wider range of offerings than in years past, although the number of exhibitors was somewhat smaller. This shows that foreign firms want to do business with us, that they see opportunities for cooperation with Poland.

Without going into assessing whether the domestic display was large enough, I must say that in some areas what was done was truly impressive. Here I have in mind especially the machine tool industry and the building

machine industry. Socialist partners pointed out the virtues of Polish home appliance and household electronics, perhaps because in their countries this field is less developed than in Poland. I think that light industry made a good showing of itself in Lodz at Interfashion. It is even a pleasant surprise, but this is a good thing, because alongside the food and agriculture industry, chemical industry, and furniture industry, which have recently achieved great progress, this industry should shortly become one of the leaders in Polish export.

I therefore consider the fair to have been very successful. The city was different too. It was cleaner, tidier, and better kept up. This was very obvious. And this is important, not only for our foreign guests visiting here for the first time, but also for those who have been here a dozen or more times. The visitors here for the first time judge Poland as a whole through the prism of the fair and Poznan, while the oldtimers had the possibility of assessing the progress. They see that healthy processes are nonetheless under way, showing that we are headed in the right direction.

And I have a more general reflection. During the 1970's, the economy, and therefore the fair, appeared sound on the outside, but there was disease inside. Today, on the other hand, the economy is still sick on the outside, but good, healthy processes are going on at the core, especially in foreign trade. Exports grew considerably this year. We had good results in foreign sales in 1987. I don't think that during the latter half of this year there will be any sort of collapse either. From what I know from meetings with directors in foreign trade and industry following the fair, the upward trend of exports will continue to the end of the year. This will be despite the fact that for various reasons we have had to pull back from certain economic incentives encouraging export. What is happening in Polish foreign trade and more generally in economic cooperation with the world proves that healthy processes are beginning in the economy. People in the world say that the level of exports testifies to the state of the economy. Growing exports portend well for our economy.

[Question] What do you think about the fact that there were many new exporters at the fair?

[Answer] I am an advocate of just about complete demonopolization of organizational structures for Polish foreign trade while maintaining a constitutional monopoly. Such liberalization has its bad sides too. That I know. There are companies and parties on foreign markets that do not have much practice at this, but this is a cost. But let us look at this as an opportunity. Today 70-75 percent of the exports come from no more than about 350 enterprises, and there are thousands of plants not thinking about export at all.

Therefore, liberalization provides an export incentive to the small, intermediate, and even large producers. And the fact that we will pay a certain price for this, although

it is a small one compared to the benefits to be gained, is a different matter, and we have to come to terms with it. We have to give a chance to the system which has been introduced and which will prove itself. It has to have the chance to prove its value and its suitability for at least 2 years.

[Question] Among Poland's potential partners, you can see rather great interest in the drafts to update the law on mixed ventures involving foreign participation.

[Answer] Up to the present time there have been 24 instances in which on the basis of the old law I have issued permission for companies to be set up in Poland using foreign capital, which shows that the very severe criticism of it has been somewhat exaggerated. I pin my hopes for a great flow of capital into Poland mainly on year-by-year improvement in the picture of the Polish economy. This does not mean that there is no need to improve conditions for foreign participants or to stabilize regulations. Assuming that the law on economic activity with foreign participation is updated, we should say at the same time by a vote of the Sejm that we will not change the regulations between now and the year 2000, for example. And this would be what would attract capital of small and medium to Poland. On the other hand, the large capital will come when we set the economy on a firm footing.

[Question] How do you respond to those people visiting the fair from all over Poland who wonder why we are exporting good products instead of directing them to the market to improve the market's equilibrium and the workers' frame of mind?

[Answer] I am absolutely convinced that the sole possibility of improving market supply lies in increasing foreign trade through the expansion of exports, along with imports at the same time. Today, for example, we face the criticism of increased furniture exports during the first quarter of this year. My reasoning goes like this: The greater exports during the first quarter will permit greater imports to supply furniture factories during the third quarter, and this will increase market production substantially during the fourth quarter. With the foreign exchange from the export of a single Polish refrigerator I can buy materials to produce the next four refrigerators. I therefore do not share the view that exports deprive the market.

[Question] Here at the Poznan International Trade Fair you can hear very severe criticism of the ordinance from this past 13 May that made exporters' tax exemptions dependent on maintaining market deliveries at last year's level.

[Answer] This ordinance should be implemented wisely, and then we will achieve short-term benefits for the market. At any rate, there will be no adverse impact on

exports. On the other hand, the only solution in the long run is to export to permit imports to supply industry and to stock shop shelves with finished products.

10790

Hard-Currency Input Requirements Between Enterprises Discussed

26000548b Warsaw ZYCIE WARSZAWY in Polish
23 Jun 88 p 2

[Interview with Wincenty Lewandowski, secretary of state, Ministry of Finance, by Janusz Kotarski]

[Text]

[Question] This year the phenomenon known as hard currency input in relations among enterprises has clearly intensified. Producers are coming out with such requirements toward almost all their customers. What about the issue of the legal validity of such requirements, on whose fulfillment or non-fulfillment the conclusion or non-conclusion of a buy-sell agreement often depends? A PAP journalist took this question to Wincenty Lewandowski, secretary of state in the Ministry of Finance.

[Answer] From the legal point of view—which is unequivocally evident from the rules of law as well as the joint communique of the ministers of finance and foreign economic cooperation—the transfer of hard currency funds is required only when it constitutes fulfillment of a cooperative agreement regarding cooperation in manufacturing finished goods.

On the other hand, all requirements for hard currency input are illegal when they are applied as a condition of delivery of goods (or services) to individuals that are not cooperating directly in their production. In particular, one cannot require hard currency from health care, education, domestic trade, municipal government, or residential construction units. That is action contrary to law because it may constitute an exchange of currency without the required permit.

[Question] It is hard to show a violation of law if requirements for hard currency input take on the form of private negotiations, ultimately allusive attempts at informal actions.

[Answer] Indeed such practices do occur. But on the other hand, customers are disclosing pressures of this kind more often by turning to antimonopoly bodies. We have observed this from the moment the law on counteracting monopolistic practices became effective. One might say that matters related to requirements for hard currency input have predominated in our activity in the past two months. Questions regarding the permissibility of such requirements are directed to us, as are proposals to initiate proceedings against enterprises that require hard currency without justification.

Currently we are investigating 25 such proposals coming from economic entities and eight from the office. I would cite, for example, the decision of the antimonopoly body prohibiting enterprises united in the association of leather industry enterprises in Lodz from carrying out the recommendations of that association. The association recommended that tanneries belonging to it make the sale of hides to other customers contingent on transferring "hard currency contributions" to the association's account. I would add that all recommendations of this kind, by any association or other organization of enterprises (partnerships, for example), will encounter a similar reaction.

[Question] Yet the procedure is rather complicated: first a complaint to the antimonopoly body, then arbitration, and in the meantime, neither raw materials nor goods, but only administrative procedure?

[Answer] That is not the case. Arbitration and the provincial court (in matters that are actually for the common courts) can decide independently. On our part, we—as the antimonopoly body—do our best to render opinions, if necessary and on the recommendation of the arbitration committee, that may constitute evidence at a proceeding.

In my opinion, we have created perhaps not so much a new opportunity, because it existed in current law, as conditions for more efficient proceedings.

But the result also depends on the courage and determination of enterprises that are subjected to hard currency extortion, on their desire to become involved in arbitration, the courts or the antimonopoly body. This involved a certain kind of risk that arises from the still existing producer's market. But naturally we cannot handle all matters from this office without the help of those who feel wronged or beset by suppliers groundlessly demanding hard currency.

12776

Measures To Curb Domestic, Enterprise Energy Waste Needed

26000525a Warsaw ZYCIE WARSZAWY in Polish
24 Jun 88 p 3

[Article by Marek Kownacki: "Who Would Allow It?"]

[Text] The conservation of fuel and energy has been discussed for years, with varying intensity, depending upon the current possibilities for mining coal, producing electricity, and purchasing crude oil. Recently, for various reasons, all of these energy sources have become increasingly feeble, and, consequently, the awareness of the need for economical management of them seems to have become greater. It is turning out, however, that in nearly every attempt at economy measures, our old negligence, which is hampering us today, becomes evident.

Several years ago, when we discussed the status and duties of an energy management inspector, many experts suggested the necessity of giving that institution definite prerogatives. One of them was to be the right to halt the production of excessively energy-intensive products, and also to close shops or entire plants where energy consumption exceeded reasonable limits. There was even a call for turning the inspector's function into that of a sort of "energy police," viewing this as an antidote for various casual decisions to conduct technological processes without regard for the amount of energy consumed.

Nothing came of the "police," just as with far-reaching autonomy for the institution of energy management inspector. It is therefore not surprising at all that one could only hear occasionally about protocols from one of the OIGEs [District Energy Management Inspectorates] saying that one plant or another was definitely using too much coal or electricity. It was ever rarer that one heard about real consequences resulting from such an entry in the inspection protocols.

Recently, the Department of Fuel and Energy Management of the MP, which took over the function of the GIGE [Main Inspectorate for Energy Management], tried to collect examples from the entire country of products, technological processes, and plants where the consumption of energy should have ruined the owners of the firm a long time ago. Let us add that the selection of examples was completely random and very modest in comparison with the reality.

Almost four times as much energy was consumed in the production of acetylene at the Tarnow Nitrogen Works as in other domestic factories. The less acetylene, however, the less PVC and chorine was produced there.

This is the first example, and we already know what is going on. After all, it is confirmed by the succeeding ones.

The Goleszow Cement Plant needs twice as much coking heat and electricity as other plants to manufacture slaked lime. Nevertheless: "The sole justification for producing lime in Goleszow may be the acute domestic shortage of it."

Among other things, chlorine is produced by Zachem in Bydgoszcz and Azoty in Wloclawek, but in Wloclawek 8 times less heat is needed for this production. In Trzemeszno, twice as much electricity is consumed per ton of rock wool as in Nidzice, for example. Just try to buy rock wool anywhere, however.

So that this does not become monotonous, here is something for the home. A long time ago, the shops had attractive warmers with transparent glass receptacles. One could even boil water for tea in them. Then they disappeared, and Biawar in Bialystok has occasionally been offering "water heaters" with steel receptacles. It

uses scarce sheet metal for them, and a great deal of energy for galvanizing it. In the end, we get a warmer with a lifespan of up to three years, when a glass one can serve for 10. Naturally, one cannot even think of boiling water (unsafe and unhealthy). The people at Biawar know about this, but even so, about 40,000 steel heaters will be produced this year, even though the manufacture of glass ones is not unfamiliar to them.

A house has to be built. At some plants of the Prefabet-Warszawa enterprise, the concrete factories are testrange-like in nature; "the energy-intensiveness index at these is several times higher in winter than the indices obtained during the summer, even with less than full utilization of these plants' production capacities during the summer period." It is clear from the opinion cited that the one making the accusation has no idea that in summer, the workforce of Prefabet is engaged in harvests, and that the cost of the energy consumed in winter is figured into the price of a square meter of housing. Finally, would anyone want to hold up food production for housing construction?

Just as inadmissible is the attack, for instance, upon the meat plants in Gdansk, Gdynia, and Tczewo for "intensively" using propane-butane instead of natural gas, or upon San in Jaroslaw for producing pastry heavily sprinkled with coal.

It will be safer to propose, for example, eliminating the production of bricks at the Ostrowiec Fire-Resistant Materials Works, since 2.5 times more energy is used for them than anywhere else. But there is also someone waiting for bricks... just as there is someone waiting for iodine-bromide salt from Iwonicze Zdroj. If there is no mistake in the calculations, then 10 times more energy is needed in producing it than in Bochna, and 14 times more than in Wieliczka. It is a historic installation, however, dating back to the days of Austrian rule.

At Bialogon in Kielce, castings are made in furnaces that are perhaps a bit younger, but even so, they consume twice as much coke as the competition. Majeda in Lodz and Pomet in Poznan have similarly "good" achievements in cast iron.

Energy inspectors do not always want to close a plant, and sometimes they make suggestions. They calculated, for example, that if Polmo in Lublin withdrew its so-called induction heaters from operation and replaced them with thyristor heaters, the energy-intensiveness of manufacturing forged products would be cut in half. It is one thing to listen to good advice, however, and another to overcome the "objective obstacles" to utilizing it.

The situation with pipes is the same as with cars—there is always a shortage of them. Is it appropriate, then, for the Jednostka Steelworks to be criticized because last year it produced 30,000 tons of pipes, while consuming 6 times more energy than, for instance, the Buczek Steelworks? And as far as steelworks are concerned, say something positive about the Katowice Steelworks. The

large furnaces of that combine consume almost half as much energy as the Kosciuszko Steelworks, for example.

The coking plants do not get good press, even though thousands of people dream about even one ton of this fuel. The work there is hard, however, and the fumes from this type of plant are rarely encountered in other branches. Even the Mieszko coking plant in Walbrzych consumes more and more energy each year to produce the same amount. Recently, 100 percent of the gas produced (as a byproduct in obtaining coke) has been absorbed in firing the coking batteries. Normally, 40 percent should suffice.

Quick-tempered people could cry out, "Who would allow really taking the costs into account?" Naturally, this kind of question can apply to a market economy, or to ours—but after full implementation of the principles of the reform. Another question remains, however: can one close a plant for atrocious consumption of coal, electricity, or gas—when that plant is manufacturing goods that are in demand? The energy inspectors do not dwell on the dilemma of what there will be in exchange, since that is not their province. They only take into account how great the shortage of fuel and energy is, but they also know precisely why it exists.

It would be naive to assume that energy-devouring plants could be closed as of tomorrow.

We do not have any tradition of eliminating factories, even the worst ones, and the few exceptions only confirm the rule. This is the same thing as with the notorious bankrupts—everyone knows that they ought to be eliminated, only it is hard to make the decision.

Nevertheless, if there is no one brave enough to make fairly drastic decisions, one must be aware of the consequences. Obsolete (or unsupervised) technologies consume more energy than they yield products from it (experts may pardon the simplification). Consequently, there has to be more and more of that energy—something which must cost a great deal.

But can one begin at the end—from taking into account the energy, and only then the products manufactured with its assistance?

9909

Ministers' Committee Supports Project for Duty-Free Zones

26000525b Warsaw RZECZPOSPOLITA in Polish
25-26 Jun 88 p 2

[PAP article: "Recommendations for Draft Government Decrees"]

[Text] The Council of Ministers Committee on Implementation of the Economic Reform, at its 24 June meeting, which was chaired by the Committee's deputy

chairman, Franciszek Kubiczek, examined draft Council of Ministers decrees on the subject of the rules for commodity turnover between a duty-free zone and foreign countries, and between a duty-free zone and the remaining customs zone, and on the subject of a temporary change in the rules for the formation of funds for emoluments.

The Committee decided to give its recommendation to the draft decree introducing a basis for the creation of duty-free zones on Polish territory. The Committee also heard reports from administrative and economic circles in the Szczecin voivodship, which were represented at the meeting, among others, by Prof Piotr Zaremba and Prof Waldemar Grzywacz, on the progress and scope of the work aimed at undertaking economic activity utilizing the legal solutions proposed in the decree. The Committee requested that the group preparing these proposals accelerate its work on the rules for the organization and operation of the first duty-free zone in the country.

After acquainting itself with the draft decree on temporary changes in the rules for the formation of funds for emoluments, issued on the basis of the law on extraordinary powers and authority for the Council of Ministers, the Committee decided to recommend the draft.

The purpose of the decree is to provide strong incentives for enterprises to increase exports, while simultaneously maintaining production for the domestic market at least at the 1987 level. The proposed incentives affect enterprises at which the proportion of profitable exports constitutes at least 50 percent of production.

The Committee also acquainted itself with the outlines for introducing the second part of the stabilization tax levied on all economic units with the status of a legal person (the first part of this tax was determined in a 30 May 1988 decree from the Council of Ministers). The Committee particularly supported those solutions among those proposed which simplify the method of calculating the tax. This remains in accordance with the appeals from many enterprises calling attention to the fact that the rules for calculating the tax to date are characterized by considerable complexity, and in connection with this are highly labor-intensive.

The Committee decided to recommend the solutions proposed in the outlines, and ordered that the work on formulating the draft decree be accelerated.

9909

GERMAN DEMOCRATIC REPUBLIC

Number of Abortions Remains High

36140028 Utrecht OOST EUROPA VERKENNINGEN
in Dutch Jun 88 pp 26-33

[Article by Susanne Weigandt, who was active as a sociologist in the field of family planning in the GDR until 1982 and has, since then, lived and worked in West Berlin: "The State Weighs and the Church Inveighs—But the Woman Decides;" reprinted with author's permission from KIRCHE IM SOZIALISMUS No 6 pp 240-246; translated from German, adapted and introduced by Lisette Dekker; first paragraph is introduction]

[Text] Since 1972 women in the GDR have had the right to decide for themselves whether to have an abortion up to and through the 12th week of pregnancy. At the time, there was much discussion by proponents and opponents of this statutory regulation—including in parliament. Above all, in church circles there has always been much criticism of this liberal abortion law. Many women have taken advantage of the opportunity this law offers. Although since 1977 the authorities no longer publish statistics, large numbers are cited—particularly in church circles—ranging from "80,000 to 90,000" to "a number approaching that of the number of births" (which is an estimated 200,000 per year; this estimate is rather high.) (Footnote 1) (In the book "Induced Abortion: A World Review," the figure of 96,200 abortions in the GDR is cited for 1984. Of 100 pregnant women, 29.7 had an abortion that year. In comparison, the number in the Netherlands was 9.8, whereby it should be noted that the Netherlands has the lowest number of abortions in the world. In the Federal Republic of Germany the number was 12.9—[original] translator's note.) How does it happen that in a country such as the GDR, where contraceptives are plentiful and their use is widely encouraged in the media, the abortion figure is so high? In what follows, an "insider" presents a balance sheet of some 15 years of abortion practice in the GDR.

The 1950 Law on the Protection of Mother and Child and the Protection of Women's Rights, which was in effect until 1972, prohibited the termination of pregnancy and made it a crime as well. Paragraph 11 stipulated that an abortion was only permissible if carrying the pregnancy to term would seriously jeopardize the woman's health (medical indication) or if one of the parents had a serious hereditary abnormality (genetic indication). Any termination of a pregnancy for other reasons was, according to the laws in force, criminal. Permission for an abortion was granted by a commission consisting of physicians and representatives of the woman's organization DFD (the Democratic Women's Union of Germany).

In 1965 the GDR Ministry for Health amended the prevailing statutory regulation with an "instruction" in

which the indications for a legal abortion were expanded to include:

- pregnant women under 16 years of age, as well as women 40 years old and older;
- women who had already borne four children, in each case with an interval of less than 15 months between pregnancies;
- women who had five or more children to provide for; and
- women who had become pregnant as a result of rape.

They all could now obtain permission from the commission for an abortion.

The Fifth Commandment

The "instruction"—stamped "confidential"—was forwarded to the abortion commission and dispatched directly to the physicians at the authorized medical facilities. Prior deliberation with the Catholic and Protestant Churches and medical personnel was not conducted let alone a public discussion.

Public disclosure of the expansion of the indication regulation for abortions elicited wholesale protest from representatives of the two major churches. The principal criticism from the Protestant side was that the instruction gave evidence of a lack of respect for new life: The regulations would violate the Fifth Commandment, "Thou shalt not kill," which serves as guidance for Christian behavior. In addition, the fear was expressed that "this instruction will cause an increase in immorality." (Footnote 2) ("Information of the Churches in the GDR Regarding the Discussion by Representatives of the Protestant Churches with Minister for Health Seifert on 24 September 1965." A publication of the Protestant Church in the GDR Leadership Conference, Secretariat, G 83-2238/65 of 14 October 1965 p 6).

The increasing number of deaths among pregnant women—that is, the increasing number of deaths among women as a result of illegal abortions and quackery—formed the background against which the authorities decided in 1965 to expand the indications for abortion. It was estimated at the time that approximately 3,500 women were dying each year from the effects of an illegal abortion. A definitive amendment to the law regarding abortion was introduced by the SED in December 1971. The report that the SED Politburo had decided to formulate a new statutory regulation appeared in NEUES DEUTSCHLAND. Henceforth, every woman would be able to decide for herself during the first 3 months whether she wished to terminate a pregnancy. (Footnote 3) (NEUES DEUTSCHLAND 23 December 1971) The Catholic bishops protested sharply in a declaration at the Berlin Bishops Conference of 3 January 1972: They condemned abortion and the killing of a fetus as an abominable crime and referred in their

argumentation to the Second Vatican Council. They reminded in vehement terms of the immutable Christian conviction that every human life has its own value and is entrusted to the protection of every person individually and to that of the community as a whole. (Footnote 4) ("Information of the Berlin Bishops Conference," Press Department, No 16, 11 January 1972).

Open Letter

The Protestant representatives reacted with great indignation to the proposed freedom of abortion within the stipulated 12-week period. In a "Word From the Bishops of the Protestant Dioceses in the GDR" of 15 January 1972, they condemned the termination of a pregnancy as the taking of human life and also reminded of the Christian commandment to respect life. The bishops called upon all the faithful not to make use of the opportunity for abortion.

Simultaneously, there began in the Protestant congregations a broad discussion on the church's stand on abortion. In addition to agreement, the declaration also met with criticism, principally from the Protestant Student Community. At a joint gathering with the Ecumenical Youth Service, only 21 percent of the participants found the episcopal letter to be helpful. Some 80 percent saw the lawmakers' intention as opposing the criminalization of abortion and they defended them. Of the women present, about 65 percent found it ethically justifiable to make use of the legal opportunity. (Footnote 5) (Protestant Press Service Berlin, 27 March 1972).

Now this poll is in no sense representative, but it does indeed indicate that opinions were also divided within the Protestant Church in the GDR. The disagreement between the church leadership and the young Christians came to the fore above all in an "open letter" to the bishops of the Protestant churches which was composed by the secretariats of the Protestant Student Community and the Ecumenical Youth Service on behalf of the young congregation members. In it, a number of critical questions regarding their declaration were directed to the bishops. (Footnote 6) ("Open Letter to the Bishops of the GDR of 29 May 1972." Published by the Protestant Student Community and the Ecumenical Youth Service).

The spokespersons of the Protestant young people and students noted in the bishops' statement the lack of a fair evaluation of the legislator's intention, who had contributed in this way to the removal of abortion from the criminal sphere and had thereby created the opportunity to publicly discuss the causes of abortion. Furthermore, the composers of the letter observed that words of self-criticism were missing in regard to a situation for which Christians were also to blame. They were alluding in that to the taboo on sexuality and the discrimination against unwed mothers in church circles. They vehemently contradicted the bishops' contention that the law "will lead in the long term to a desensitization of the conscience in regard to the value of life." They reproached the bishops by stating that to see a

connection between birth control and immorality, clearly indicates a thoroughly pessimistic world view and they wished to distance themselves from such a world view "for the sake of the gospel."

Deeply Indignant

The positions on abortion, influenced by Christian tradition, were expressed in the voting behavior of the representatives in the People's Chamber. It was sensational that the parliament adopted the "abortion law" merely by a majority of votes and not, as is usual, unanimously. Some 14 representatives—overwhelmingly from the CDU—voted against the law and 6 others abstained from voting. That was the first (and thus far only) time in the parliament's history that this happened.

Moral objections to freedom of abortion resounded not only in Christian circles, but were also expressed in FUER DICH, the most widely-read woman's periodical in the GDR. male and female readers expressed their agreement with the new regulation, but also brought forth impassioned objections to it: "That such a thing is possible in a socialist society which is ultimately devoted to preserving life as long as possible, is incredible to me."

"There was much discussion of the amendment in our brigade. We simply cannot comprehend that in our country, where social welfare for mother and child is so good, abortion is taken entirely for granted. We are deeply indignant over this. If every woman can decide the matter of the birth of her child, then it is our firm conviction that there no longer is a question of socialist morality in our country."

"Is murder in the mother's body sanctioned by the state in this way? The editors of the weekly FUER DICH summarized the counterarguments:

- ethical objections (interference with the life);
- fear of increasing immorality;
- concern about a declining birthrate.

Last Resort

They stated in a concluding commentary that the new law certainly did not have the character of an appeal for abortion, but merely offered the opportunity of terminating an unwanted pregnancy. Whoever had ethical or religious objections should act in accordance with his or her conscience. FUER DICH expressed appreciation for the law, above all because it provided millions of women the freedom of deciding for themselves. The law would also supposedly increase life's happiness for many women. (Footnote 7) (FUER DICH 10/1972 p 43).

With the broadening of the existing legal regulations the GDR took up in 1972 the demands which had already

been made by the KPD and portions of the SPD in the 1920's and 1930's. Physicians such as Friedrich Wolf, and especially women doctors such as Kaethe Frankenthal, Martha Ruben-Wolf, and Else Kienle, advocated the legalization of abortion up to the 12th week but not without pointing out the necessity of disseminating information about contraceptives. They viewed the termination of a pregnancy solely as the last possibility for a woman in a hopeless situation.

GDR Minister for Health Prof Mecklinburg stated in his address on the occasion of the new statutory regulation that making the decision regarding abortion the responsibility of the woman was an issue of establishing equal rights for men and women in a socialist society. "The determining motive for transferring to the woman the right of decision as to whether a pregnancy will be carried to term is derived from the equality of rights of men and women which has been realized in socialist society." (Footnote 8) (NEUES DEUTSCHLAND 10 March 1972 p 3).

The duty of physicians to provide information about the medical risks of surgical intervention as well as about methods of preventing pregnancy, was stipulated in the legislation. Simultaneously with the coming into force of this abortion law, there began an extensive campaign in the public media with the goal of increasing the populace's knowledge about the means of birth control. In all publications abortion is not featured as a method of family planning, but is considered solely as the last resort to escape from a hopeless situation. The use of birth control has priority. It is the task of physicians and of society as a whole to see to it that abortion remains an exception.

In popular science publications the readers are also informed of the possible complications connected with abortion. It is stressed that any artificial interruption of a pregnancy is a dangerous operation.

Family Policy

In August 1972 scientists in the GDR confirmed for the first time a sudden drop in the number of illegal abortions. As was to be expected, the so-called legalization effect had appeared. The number of abortions legally performed in the clinics rose rapidly: from barely 19,000 in 1972 to more than 115,000 the following year. The number of abortions in subsequent years fluctuated between 80,000 and 90,000. (Footnote 9) (Tables and text below).

Number of Abortions

Year	According to Winter	According to Mehlan
1970	19,069	
1971	18,713	
1972	115,623	114,000
1973	110,80	
1974	99,681	99,700
1975		87,800
1976	83,207	81,900
1977	80,145	78,000

Sources: Kurt Winter, "Public Health in the GDR," Berlin (GDR), 1980, p 70; lecture by Karl-Heinz Mehlan on the abortion situation in the GDR delivered at the Rostock Information Office for Marriage and Sexual Matters in October 1979. Amplifying comment by translator: In the previously-cited book "Induced Abortion: A World Review" by Christopher Tietzen and Stanley Henshaw (a publication of the Allan Goodmacher Institute in New York, 1986), the following figures are cited for the GDR: /m1978: 81,900 /m1979: 86,500 /m1980: 88,600 /m1981: 90,300 /m1982: 90,400 /m1983: 92,500 /m1984: 96,200

The authors report in connection with these figures that they were obtained from a reliable source in the GDR. (End of footnote).

The decline in the birthrate in both German states, a trend which set in during the mid-1960's, was reinforced in the GDR—at least for a time—by the legal right to abortion up to and through the 12th week. In order to counteract the decline in the birthrate, the SED adopted a package of measures as early as 1972 in the area of family policy: a financial grant upon the birth of a child, interest-free credit for young married couples, and extension of maternity leave and introduction of the 40-hour workweek for mothers with three or more children (a workweek of 43 and ¼ hours is normal).

An expansion of these provisions followed in 1976 since the 1972 ones did not have the desired effect upon the birthrate. The introduction of the very popular "baby year," that is, paid leave following the birth of the second child until the child is one year old, combined with the guarantee that after that year the woman can return to her former place of employment, were among the new improved benefits which at the time were granted solely to mothers—not yet to fathers.

This costly sociopolitical program of the SED finally had the desired influence on the birthrate. The latter was also influenced by the changed age structure of the female populace and by the catch-up effect of the postponed child births in the early 1970's. These three factors led to a pronounced increase in the late 1970's in the birthrate in the GDR.

Prochildren

Despite this positive development, the SED's female functionaries found the number of abortions to be too high. An explanation for this problem—the high number—would contradict the aims and self-image of a socialist society which so readily regards itself as prochildren. Further publication of abortion statistics was flatly forbidden in 1977 and scientific investigation in this area henceforth was labelled "secret."

Essentially, the authorities followed three parallel strategies after the abortion law had been introduced:

—They dealt with the emotional mood, which was influenced by Christian tradition, by permitting open

discussion in the media. In a certain sense, this discussion had the function of an escape valve.

—Simultaneously, they started with the support of physicians an extensive and successful campaign against abortion through the provision of information about, and the popularization of, contraceptives.

—In the third place, they adopted a number of measures in the area of family policy designed to counteract a further decline in the birthrate and to encourage the desire for children in families.

Midway through the 1980's, the debate about abortion in the GDR is again being taken up in church congregations as well as in official publications, in medical and other technical publications, in youth newspapers, and in belles-lettres.

Prevention

In the media and in scientific publications oriented towards younger people, much attention is devoted to pregnancy, the means of birth control, and abortion. The campaign to propagandize contraceptives under the slogan "Prevention Is Better Than Termination," initiated by, among others, the physician Mehlan from Rostock, resulted, according to his estimation, in approximately 65 percent of women in their fertile years using contraceptives by the end of the 1970's. Four of five women are protecting themselves against pregnancy. (Footnote 10) (Karl-Heinz Mehlan; see footnote 8).

The propaganda for birth control measures had less success among younger people. A survey among school-girls indicated that their knowledge of contraceptives was very superficial and only a few possessed sufficient information to use them effectively. About 30 percent of those questioned who acknowledged having sexual relations did not use contraceptives. (Footnote 11) (Susanne Rehpenning-Weigandt, "A Sociological Investigation of the Conceptions of Female Apprentices in a Rostock Textile Enterprise Regarding Problems of Reproductive Behavior," dissertation. Wilhelm Pieck University, Rostock, 1981, p 96).

Employees of an information office for marriage and sexual matters in Rostock who were confronted in their work with the high number of abortions among young girls, directed their preventive activities precisely at this age group. Since 1982, pregnant girls who are not yet 18 years old are counseled and advised in their decision by the office's employees. Whenever possible the girls' partners are also involved in the counseling. The success of these efforts has been small thus far with the partner willing to participate in these discussions in only one-third of these girls' cases. The low level of partner participation suggests that even in a socialist society such as the GDR socialization develops in such a way that responsibility for pregnancy and its consequences is primarily put on the woman's shoulders.

Bias

The physicians in Rostock attribute unwanted pregnancies among young girls as a consequence of insufficient use of contraceptives primarily to the fatalistic attitude that "nothing will really happen." The second cause of unwanted pregnancies is to be found in the bias which still exists in the GDR against sexual relations among youths under 18 years of age. It is true that the young women in this age group are aware of the risks they take without good contraceptives, but they shy away from going to the doctor at such a young age for fear of bothersome questions and moralizing comments. In this context, the employees of the information office view it as their job to nurture—through counseling—greater understanding among parents and teachers for the problems of young people in the area of relationships and sexuality. At the same time, they try to dispel the fear among youths of paying a visit to the appropriate medical authorities.

In 1986 the youth magazine NEUES LEBEN published a series of articles about pregnancy and contraceptives specially aimed at young girls and their partners. On the one hand, the situation of underage mothers was presented in a problematical light with a series of arguments:

- The child of a 16- or 17-year-old mother will hardly be a wanted child and every child has the right to be wanted;
- The child will probably grow up without a father and every child has the right to a father from its first moment of life; and
- The most important task as a young mother is the completion of her education and not the care of her child.

On the other hand, it was pointed out in the series that young girls can certainly manage the difficulties of pregnancy, birth, and the care of a child with the help of their environment in a socialist society. Three mothers of 16 and 17 years of age are quoted. They relate that in their difficult situation they could (and still can) depend upon the support of their classmates, teachers, and social authorities.

The conclusion of this story reads: "The child makes me happy and despite all the problems, it is a ray of sunshine in the house." At the end, however, there is a plea for the young woman not to begin thinking about a child until she has completed her education.

It concerns the state that more than one-half of all pregnant women under the age of 18 choose to have an abortion. An information campaign in NEUES LEBEN warns about the consequences of abortion, especially for young girls. Such a surgical intervention causes a guilty conscience and nightmares, and, in addition, it supposedly cannot be guaranteed that the woman can have

children at a later age in life. Viewed from a medical perspective, the operation is supposed to be problematic especially in the case of young girls, and it reportedly can have bothersome consequences. A gynecologist relates: "If one examines the prior history of 'sterile' women—that is, women who cannot have a child or who cannot carry the pregnancy to term—then it appears that most of them have had an abortion years ago." (Footnote 12) (NEUES LEBEN 8/1987 p 22).

Contempt for Life

The debate over abortion never died out in church circles; recently, even more attention has been paid to this problem. At their meetings in the autumn of 1987, the synods of the Protestant Church in Saxony and Greifswald were extremely concerned over the high number of abortions which were allegedly almost equal to the number of births. "We are alarmed at the extent to which contempt for life has grown at the expense of reverence for life." (Footnote 13) (Protestant Press Service/Berlin District Service, No 210, 3 November 1987) Church youth work had to continue emphasizing that abortion is not a means of family planning. In addition, the church, in its public activities, had to warn against a rash acceptance of abortion.

Specific suggestions as to how church guidance should be formulated are made in the East Berlin church weekly DIE KIRCHE which recently devoted an entire page to the subject. In the editorial, the urgent necessity of a responsibly conducted discussion concerning the practice of abortion within the church and the congregations is stressed. "Guidance during preparatory meetings for confirmation and talks with young people who are growing up, as well as counseling sessions with the women affected dealing with the physical and spiritual consequences of an abortion are a part of this." (Footnote 14) (Bettina Roeder, "The Dignity of the Unborn," in DIE KIRCHE, East Berlin, No 46, 15 November 1987).

In the Protestant weekly GLAUBE UND HEIMAT, published in Jena, editor in chief Gottfried Mueller acknowledged that the bishops' declaration of 1972 is still applicable. There it was emphasized that abortion amounts to the taking of human life. It cannot be the task of the Protestant Church, according to GLAUBE UND HEIMAT, to bring about a change to the 1972 law. Neither does the church in the GDR demand that its moral norms should find expression in the state's legislation in all cases. Improvements in the execution of the legal regulations would indeed be desirable, however. The obligation to provide advice and information, as stipulated in the law, may not be neglected. "It should not be that in every case where the first telephone call is made to the gynecologist to get an appointment a decision is, in practice, already being made concerning an abortion." (Footnote 15) (Gottfried Mueller, "Unborn Life," in GLAUBE UND HEIMAT, Jena, 14 December 1986).

In the readers' reactions to this article there was appreciation for the fact that the subject of abortion was now finally being taken up from the church's viewpoint. Concern was expressed in all the letters at the large number of abortions.

To all too quickly pose the question of guilt and point a moralizing finger, does not appear to be the way to solve the problem. The distress among women who are confronted with this problem and who all too often feel abandoned by their partners when making this decision is, however, especially grave. For there is still only a minority of men even in the GDR who are willing to abandon their traditional role and assume responsibility in the area of sexuality, relationships, and child rearing. A sharing of responsibility among men and women in all areas on the basis of equality presupposes a manner of dealing with one another which is in accordance with the norms and values of society as a whole. It cannot be imposed by a law. The conscious exercise of responsibility in the area of birth control is therefore also a problem which—in the GDR as well—must be solved at the personal as well as at the social level.

In the GDR, too, women of a Christian point of view—and those outside the church as well—ought to muster the courage to openly and publicly discuss the ambivalence in attitudes towards abortion and not allow themselves to be talked into accepting the recrimination of frivolity where joint responsibility by men and women is required.

In conclusion, a thoughtful (male) reader of GLAUBE UND HEIMAT, who expresses criticism of the "normal" treatment of the subject of abortion within the church, gets his say: "Generally it is men, from doctors to bishops, who speak about this subject. Not one of them can expect ever to be faced with the decision of having an abortion, although as a rule a man is not only involved to a considerable degree in the prior history of this event, but also bears the principal responsibility for the fact that it has gotten this far. To wit, I would like to state that, since the pill, sheer frivolity is only sporadically the basis for the decision to have an abortion; it is usually great personal anguish. This varies from an unwanted partner to the fear of having a handicapped child—if not fear of war or the possible end of the world.

"I have since become very reserved and am of the opinion that women both within and outside of the church have to deal with this problem—and we men ought to keep our mouths shut." (Footnote 16) ("It's Primarily the Woman's Business." Letter to GLAUBE UND HEIMAT, Jena, 18 January 1987).

POLAND

Different Groups Overcautious, Determine Time of Reform Implementation

26000606a Warsaw ZYCIE WARSZAWY in Polish
9-10 Jul 88 p 3

[Article by Wladyslaw Tybura: "Wasting Time: The Reform and Social Feelings"]

[Text] I think that we find ourselves at a moment in the resolution of Polish problems at which the passage of lost time has reached a critical point. All measures, political and psychosocial, but especially economic and civilizational ones, surely confirm this view. Passing time that leaves no clear trace of positive changes has become almost an independent element of reality negatively affecting all of our undoubtedly complicated problems.

These reflections lead to only one conclusion: it is time to decide more quickly on measures accelerating the process of change. Quickly enough to prevent positive actions from being overcome by discouragement and the loss of our capital of social activeness, which is progressing parallel and co-dependently with expectations and aspirations that are not fulfilled in time, or with solutions that are overly careful and delayed. The most recent example is the election to the people's councils, not the act itself as much as the degree of social involvement in the entire process of establishing local authority.

I do not include the electoral turnout that upset so many, which was low in comparison with previous examples, in the category of painful losses created as a result of discouragement, delay, or insufficient courage in reforming. It obviously was not unrelated to both the general situation and the overly conservative electoral law, especially the principles and mechanisms for selecting candidates. I think, however, that the relatively low turnout was equally, or perhaps even to a greater degree, also the result of positive phenomena: the disappearance of the fear to be absent, freedom of political behavior. Many used the local elections as an opportunity, perhaps the first, to emphasize their independence. Changing electoral turnout is always a sign of democracy and political liberalism. It occurs sometimes at the cost of democracy, but the costs do not exceed the profits deriving from it.

I see the losses elsewhere, in social undervaluing of the significance of local representative authorities and local self-government. The trend to transfer authority over the whole of local issues to the self-governments has particular social and economic significance. This process will not succeed without the involvement of local society, without shaping the awareness, and without the reactions appropriate to the frame of mind of an owner in his home.

As an effect of the long-term bad past and of the nearly past sin of excessive caution in the control of the rights and independence, the people's councils have not etched

themselves in social awareness as independent, completely self-governing bodies of authority at the local level. The prepared reforms to change the status of the local authorities did not appear at the proper moment; the mistake was to delay them. The social discussion prior to the elections, which depended on bare slogans of change or on overly general announcements, was noticeably anemic.

The program, instead of constituting the future local authorities according to the new rights and prerogatives and enveloping them with the social activeness of the surroundings, gave them old daily baggage of local pains. The moment will come when it will be necessary to make up for this lost time, but under less favorable conditions. This is the logic unfortunately of necessary processes that have been delayed.

I have used this example because it is sufficiently fresh and because it clearly documents the social effects of delay, measuring out reform in doses, or reaching final resolutions through overly cautious experiments. This phenomenon is visible in the economic reform, although this area is surely more complicated. It is also visible in the sociopolitical sphere. The process of maturation, of developing new measures seems to last a long time; in terms of our Polish needs, it lasts too long. Time, however, acts to our disadvantage in every respect.

Here I could encounter the observation that in Poland today we are making changes on a large scale, deeply affecting the developed reality. We are taking up systemic measures without precedence in the experience of the countries of real socialism. This is true. Even if we refer to the fascinating Soviet changes, it is not difficult to find Polish traces in the institutional measures introduced or announced, both in the political and in the economic system. Innovations that deeply change reality and that are introduced into the living, extremely complicated social organism of Poland can lead to caution. The point is that this caution must be a sense of responsibility and not a lack of imagination, courage, or simple laziness in thinking and acting.

It is true that the past has not taught us courage in solving public issues; playing it safe to protect oneself effectively muffled the essential risk in this case. The permission to be courageous in search of the new, given by both of the last party congresses and confirmed by almost every plenary session of the PZPR Central Committee, is opposed by the experiences and reactions developed in the past and the contemporary varied interests among those in authority and, surely, among the extensive administration. The reforms, especially those changing the social pact, the principles of the operations of the structures and institutions, that are directed toward the socialization of the state and its basic areas always take some attribute of genuine or apparent authority away from someone. They cannot be supported by those in groups who lose, even if in the end

everyone gains. For these groups time extending the reform process will be a gain, temporary to be sure, but a gain even if for the general social interest it is an obvious loss.

The conclusion that suggests itself here is that it is necessary to reorient ourselves to those forces and groups interested in the reform, who see in it not only a social gain but also their particular gain. Our Polish reform greatly needs an elite, both in thinking, in bold searches for new benefits, and in active support of their implementation. Populism, democracy are valuable doctrines in socializing the state and authority, in the self-realization of groups and individuals in society, in associating interests, but they are of little value in proposing bold, unconventional visions and solutions. This is the domain of the political and intellectual elites.

Recently I was informed that research conducted reportedly in England on the intelligence of particular nations, the highest marks were received by none other than we Poles. If we are so intelligent, and thus also creative, why are we so slow in developing bold visions of progress in our country? Why do Americans, the supposedly conservative English, the cold-blooded Scandinavians outdo us? Without the London research one can say that in general both the dynamic Americans and other nations making rapid civilizational progress do not tower over the current generation of Poles in either intelligence or education. But the scale of openness and support for innovation is decidedly against us.

The explanation seems simple. Not the masses, but the elites, create progress. They create the visions and conceptions, the masses participate in transforming them into civilizational and material realities. Poland has an intelligent, educated society; it does not, however, have an elite of progress. The vulgarized doctrine of the superiority of the collective over the individual, even the most talented one, makes it impossible to develop an elite that like a lantern illuminates the way ahead and creates progress.

I will recall an anecdote here. I once asked a friend who was in Chicago in an official position for a few years how he moved around in that large, busy city in his car. The question was justified, for I knew him from experience in Poland to be a horrible driver. He answered that he had had no trouble driving on those crowded streets which surprised me. He explained that in Chicago a group of specialists developed excellent principles, especially the traffic engineering. He explained the philosophy of this phenomenon as follows: Americans had reached the conclusion that it is better to give the job of developing a traffic system to several dozen, well paid specialists, people with imagination, than to trust in the abilities and intelligence of millions of drivers. My friend also benefited from this philosophy. In Poland, as far as I know, he is again driving his 126p badly taking his life in his hands. Here everyone must think, and he does not have good reactions.

If we consider today how to proceed, what new proposals to invent, how to make progress in order to shorten and not to extend time, then we should put our searches into the hands of an elite of outstanding professionals, people gifted in thinking for the long-term and with the courage of their imagination. Let them think for us and create proposals for tomorrow, not for yesterday. We can democratically elect good, effective authorities, obviously, if the law does not delay us. We can also set social priorities, reconcile interests, but outstanding people, visionaries, bold intellectuals must think conceptually. Let us bet on them, let us create a culture of respect and recognition for such an elite, even if they earn five times as much as we do. That will pay all of us. We will surely gain valuable time lost today in searching a great deal and a little blindly.

This can be applied to all the issues making up our reality, which we want to reform: political, economic, technical and civilization, and the entire social system. The process of resignation and the disappearance of social vitality is ahead of the rate of reform. This situation is dangerous for the Polish changes. This process can be stopped and reversed only by accelerating the rate of reform.

13021

Sociopolitical Groups Reject 'Conveyor Belt' Role, Prefer Independence

26000604a Warsaw ZYCIE WARSZAWY in Polish
14 Jul 88 p 3

[Interview with Prof Witold Morawski, professor of sociology, Institute of Sociology, University of Warsaw, by Alicja Matynia-Bonik]

[Text]

[Question] In one of the discussions you said that rejection of the "conveyor-belt" role has recently gained strength—this was in reference to the role of the trade unions and other social organizations functioning in the industrial plants. Can you explain this more fully?

[Answer] Well, for several decades, in the socialist countries, a "conveyor-belt" model was in effect in these organizations, which envisaged that they will fulfill a production-training function for the workforces, and that they will simply assist in the performance of various tasks assigned to industrial plants by higher authority. In other words, it was assumed that they were not to be independent organizations. This model began to be questioned as far back as the early 1950's in Yugoslavia. But in terms of quality, it took a social protest in Poland during the 1980-1981 to bring about change and more comprehensive attempts at reforming the economy and the states in the USSR and in certain socialist countries. Rejection of the "conveyor-belt" role for sociopolitical organizations is recently growing, but the search for alternatives in industrial democracy is just getting

underway. But this has already ceased to be the work of the authorities alone and is also becoming a matter for societies, the main large-industry working class.

[Question] In what direction, in your opinion, are the changes in this field going?

[Answer] There are two strategies. One is the official strategy, which foresees the implementation of economic, and other, reforms. The economic reforms being made are being regarded as a continuation of what was usually called, in the past, "a socialist revolution," which should really be called a strategy of "revolution from the top." It is assumed in this case that the system is capable of implementing reform. The second strategy, the alternative one, has various names, as, for example, "revisionism," "dissidentism," "opposition," and "pluralistic system." Those who hold those opinions believe that the assumptions of the official strategy are too optimistic. They say that without social pressure exerted from the bottom, the chances of success are unrealistic. This is shown, in their opinion, by the unsuccessful attempts at economic reform in many socialist countries.

[Question] What role do both strategies ascribe to industrial democracy?

[Answer] Both one and the other underrate it. The representatives of the official strategy continue to want to regard these institutions as simply "conveyor belts," however in the versions of the alternative strategy they are to sometimes fulfill only instrumental functions—undermine the present political system.

In the case of the moderate versions, both official and alternative, it is different. The official strategies defend the idea of reforming the economy and the state and find a new place for institutions of industrial democracy. These institutions will become co-managers of enterprises or will transform, if not the entire economy then at least some of its sectors, into a multisector economy, with self-management and cooperatives enterprises in a strong position. On the other hand, in the moderate versions of the alternative strategies, the idea of enterprise self-management is a way of rejecting the bureaucratic system. In the less radical variants of both strategies, the functions of the industrial democracy institutions are not marginal, therefore, because these institutions are being regarded as important forces of gradual social change.

[Question] From the beginning of the 1980's, as you described it, the institutions of industrial democracy go hand in hand with a striving for political and economic reform.

[Answer] Yes, except that the authorities put the need for economic reform in first place. But a large part of society, especially people with a higher education and the highly-skilled workers, feel that economic reform cannot be a success without immediate and genuine

political reform and without institutional guarantees that the interests and values of society in the future will be safeguarded. But this demand is a long way from fulfillment, which also has an indirect effect on the functioning of institutions of industrial democracy.

[Question] It is being observed that for some of the industrial workforces and society also, industrial enterprises and the entire economic system have become the most important institutions in political life. What do you think of this?

[Answer] The politicization of enterprises and institutions of industrial democracy, in my opinion, is good. But for the industrial workforces, this is sometimes their only chance to achieve sociopolitical goals.

[Question] Why?

[Answer] Because the political system now in effect does not have the ability to absorb all of the various social expectations and adapt them in a spirit of compromise.

[Question] But do you not believe that the economy should be separated from politics?

[Answer] I do not say that the economy should be completely autonomous from politics, because that would be an attempt to reverse history. I simply call attention to the unfavorable effects of too much dependence of the economy on politics. Striving to put the economy under politically administered supervision through government decrees and incidental decisions cannot lead to the best decisions, but exactly to the contrary, it may lead to more waste and inefficiency in the system.

[Question] Past economic reforms were an attempt to increase the autonomy of the economic system from the political system. These attempts were generally made after periods of political upheaval.

[Answer] Yes, but when the situation became stable, the political authorities strived not so much to deepen the previously begun reforms, as to "improve" them, i.e., to actually impede them. It is no wonder, then, that there is an increasingly larger number of people, including those in authority, who believe that the danger about which I spoke can be avoided only when political reforms are made, not only as a guarantee of the success of economic reform, but also as a condition for satisfying the political aspirations of society.

[Question] You said that you are not in favor of complete economic and political autonomy. What, therefore, should their interdependence be?

[Answer] Although more enterprise independence is desirable—in view of the need for economic efficiency and stimulation of the spirit of resourcefulness, and so forth—we cannot go too far in that direction because enterprises cannot be treated as machines. The same

applies to the people working in them, because, after all, they have specific social and political needs which cannot be satisfied elsewhere. It may be said that in a socialist economy there is a need, on one hand, for greater autonomy of enterprises towards the political sphere, but on the other hand, the technocratization of enterprises has its limits, which are marked by the workforce itself, its qualifications, and the place of the enterprise in the economy.

I believe that the economy and politics, and thus the institution of industrial democracy and political democracy, should not be regarded as substitutional or independent, but as complementary systems, i.e., basically serving different purposes, but supplementing each other. Such an approach allows us to see an enterprise primarily as a production unit, and the workforce as also having sociopolitical needs, which will not be completely met by the institution of an industrial democracy, but only by a reformed political system. Therefore, a system which society, including the industrial workforces, can acknowledge as being representative of their own political interests and values.

[Question] What are the chances that the reforms being made under present conditions will be successful?

[Answer] There is a chance that they will be successful if society has a part in their shaping. But this cannot be a measure intended only to be another attempt at decentralization, because the earlier attempts at reform, which took this line, ended in a fiasco. These were measures which applied only to relative narrow groups. If this were to be applied only to economic reform, then it would have to be expressed by a change in the economic authorities: from party-administration apparatus government to an authority which is very diverse and dispersed, i.e., one which also places responsibility for management on broader circles of society. Then reform has a chance at success. This would actually be a form of sharing authority with society, drawing it into the decision process, or joint-decisionmaking. This would make it possible to rapidly establish a bloc of pro-reform forces, which, together with the pro-reform circles of authority, could view reform not as an internal matter for the authority system, but rather as the work of society as a whole.

[Question] But stimulating social or trade union or self-management forces to greater activity cannot replace the application of the mechanisms of economic cost-analysis or overall economic reform.

[Answer] Of course, but first of all, some other changes must be made.

[Question] What kind of changes?

[Answer] Reformation of the political system, to a far greater extent than ever before. This can be done by constitutionally defining the role of the party, by forming, through democratic elections, a second chamber in

the parliament, assembling the representatives of workers' self-managements, professional and other associations, trade unions, strengthening territorial self-management, etc. This will require changes in the electoral law permitting groups of citizens to nominate candidates for various bodies, ensuring various types of associations the freedom of activity, reducing the nomenklatura to only the highest positions in the state and economic authority, working out ways to actively accept that part of the opposition which wants to function within the framework of the pragmatic arguments in behalf of the State's reason to exist.

Socialization of ownership relations and democratization in the political sphere is a condition for the success of reform. Democracy and employee involvement in political matters is beginning to be more and more a requirement of a technical, organizational and social nature. It appears that some targets will not be reached except through economic incentives. Fewer and fewer people are willing to suffer the alienation of bureaucratic organizations. Technology require, more and more, that there be full confidence in the employee.

[Question] If that is so, then co-management and self-management are becoming a cultural requirement, not only in the sense of exercising authority, but also in bearing responsibility.

[Answer] Workers, to an increasing degree and also in an increasingly more varied way, are effectively securing for themselves ways of negotiating social order. In recent decades, the direction of change has become very clear: from an organization in which authority was concentrated in the hands of individuals (for example, owners), through an organization in which authority was extended across a managerial elite, to today's organization, in which more and more frequently this elite shared authority with representatives of union or self-management organizations. This still does not eliminate the asymmetry within the authority, between the governing and the governed, but it distinctly improves the status of the latter.

9295

**Youth Affairs Minister on Opportunities,
'Anti-emigration' Measures**
26000606b Warsaw ZYCIE WARSZAWY in Polish
8 Jul 88 p 2

[Unattributed article: "Two Hours About Young People: Needs of the Young, Summer Rest, Offers for the Best, an Antidote for Emigration"]

[Text] From our own correspondent—Is it possible in not quite two hours to delineate in detail a portrait of the problems of today's young people? And with enough

precision that the problems actually worrying the younger generation are not omitted? In the language of sport, one can describe the attempt by Aleksander Kwasniewski as having cleared the bar. The head of the Committee on Youth and Physical Culture met with journalists on 7 July 1988 at the Government Press Office.

The Committee has been operating in its current organizational form for more than six months. For the second year, the government program of activities to benefit young people is being implemented according to the Sejm law. The current balance of the activities was to have been examined by the government during the last few days. But, the press of political events, in spite of the heat, has delayed the government discussion until a later time.

How is the law on youth being implemented? If the Sejm decisions of 1 January 1987 are still acceptable, in spite of the changing socio-economic situation in Poland, the practice has been unsatisfactory. But how can one speak optimistically, for example, of material issues of the younger generation in the face of the threat of a 1-trillion zloty budget deficit in the economy? The "youth" program of the government has been outlined through 1990. The delays, in the opinion of Minister Kwasniewski, concern the reform of the material-aid system for young people, in particular.

Summer 1988. There is too little data to diagnose; it is too early for a synthesis. About 3.2 million young people took advantage of all the forms of organized summer vacations this year. This is still 800,000 to 900,000 less than at the end of the 1970's. Nearly 420,000 young people go abroad each summer, but this number includes only group excursions organized by youth organizations. We receive 320,000 individuals in Poland, nearly half of them young people from the GDR. As part of an intergovernment agreement, 162,000 children and young people visit our western neighbor; 100,000 go to Czechoslovakia; 30,000 go to Hungary; 33,000 go to the USSR as part of the exchange of youth groups.

The vacation facilities for young people. Here, three problems prevent sleep. First, the shrinking tourist facilities and the declining number of hostels, stations, camp grounds, youth camps, schools adapted for summer for recreation. Simply, there is no place to sleep and eat. This degradation of the tourist facilities, especially living facilities, is getting worse with each passing year. How can one speak of vacations on a large scale? Second, the continuing sanitary dangers. So far there have been no reports of drastic negligence. Perhaps this is the result of fairly rigorous inspections prior to the tourist season. Finally, third, the costs are growing. According to the Ministry of National Education and the Committee for Youth and Physical Culture, the Scouts organize the cheapest vacations. The trend is toward reduced subsidies for vacations for young people by the plants.

Opportunities and offers for the best. Particularly talented young people are attracted to the program "The Avant-garde of the 21st Century." In 1988, there were about 10,000 members of the "avant-garde" who had distinguished themselves in school and work. But there are some weak points here; for example, in recruiting and selecting the particularly talented. The choice does not always fall on the genuinely best. In the future, too, prestigious Stanislaw Wyspianski awards will be given, and a list of the 50 to 200 best graduates of higher schools will be promoted in the economy as an offer of employment.

Not one of the journalists directly asked "when?". The answer could resemble the statements on the emigration of young people.

"It is difficult to say that the Committee for Youth has a program, call it an 'antiemigration' program. These are the most important questions of social and economic policy of our reformed reality," said Aleksander Kwasniewski. "Whether the young people seeking opportunity in the West now will want to find it in Poland depends on the effects of the reform, democratization of life, and changes in the political system." The youngest minister in the government forcibly emphasized: "it is good that we are not creating administrative obstacles against emigration. That is not the way to halt it."

At the Government Press Office, it was announced that the Committee for Youth and Physical Culture is attempting to repeal the requirement of several years of work in a management position to be hired as a director, head, chief, president, etc. In a word, length of service is not the most important thing, rather the quality and the value of the work are. This too is to be an opportunity for young people.

The chairman of the Committee did not express himself unambiguously on the issue of student internships. All the sins of the previous, criticized internships were repeated. If they are to demoralize students, then they must be liquidated. In the opinion of Aleksander Kwasniewski, the internships are important for integration and can be reformed. But this is closer to the domain of the minister of national education.

13021

Addiction Prevention Commission Notes 'Slowdown' Since 1985 Law

26000604c Warsaw RZECZPOSPOLITA in Polish
28 Jun 88 p 7

[Text] Drug addiction occurs mainly among men, and it is they who make up three-fourths of addicts under treatment. Over 80 percent are people under age 30. Most of them, almost four-fifths, use opiates.

The system for combating and preventing this social scourge was defined in a law dated 31 January 1985. This law has given state agencies the duty of undertaking preventive measures and supporting such measures through social organizations, the church, and other religious societies. It also created the Drug-Addiction Prevention Fund, which covers expenditures for this purpose. The Commission for the Prevention of Drug Addiction, which met on 27 June, evaluated the implementation of this law.

The Commission members stated that the law has helped to slow down the growth rate of the number of persons using drugs, especially opiates. But it is hard, at present, to say whether this means that there is a real reduction in drug addiction in Poland, or whether the epidemic has temporarily abated. Preventive measures, therefore, must be continued, and treatment and rehabilitation centers still must be set up. Also, identification of addicts in youth circles must continue.

Last year, 4,100,645 zlotys flowed into the Drug-Addiction Prevention Fund, and slightly over half of this amount was spent. Money from the Fund was allocated for development of treatment facilities, procurement of poppy straw, financing of scientific-research work, and assistance to addicts. Social organizations that conduct antidrug and addict-rehabilitation work also received subsidies.

Reports of attempts to combine the Drug-Addiction Prevention Fund with the Alcoholism Prevention Fund were strongly opposed by the Commission members. The speakers underscored the fact that these funds serve different purposes, are intended for a totally different group of at-risk persons, and finance completely different methods of operation.

There was a discussion also on the most effective prevention methods, and opinions were expressed as to how

the planning of events being arranged as part of the International Day for the Prevention of Drug Addiction was proceeding.

9295

Private Medical Clinic Owner Queried
26000604b Warsaw ZYCIE WARSZAWY in Polish
8 Jul 88 p 3

[Text] In *DZIENNIK LODZKI* (28 June), Jerzy S. Barski talks with Mirosława and Jacek Drozd, owners of a private medical clinic in Lodz:

"Visits by your physicians are not cheap..."

"A patient pays 2,400 zlotys for a visit, of which 800 zlotys is the physician's fee, 1,000 zlotys is for travel expenses, and 600 zlotys is the firm's commission. The travel costs the most; it includes automobile depreciation and gasoline."

"Does every physician who applies to you get a job?"

"The waiting time for employment in our firm is an average of 2 years, and, in addition, certain specific conditions must be met."

"What kind of conditions?"

"First, the physician must have completed at least the second degree of specialization; second, he must have references from two physicians already working for us; and third, he must pass a probationary work period. There are other conditions also: He must have a home telephone, a private automobile in running condition, and a good familiarity with the city."

9295

END OF

FICHE

DATE FILMED

31 Oct 88
